

Prepared by and to be returned to:

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**DECLARATION OF EASEMENTS, COVENANTS, CONDITIONS, AND
RESTRICTIONS FOR LAKE DOUGLAS PRESERVE RESIDENTIAL SUBDIVISION**

THIS DECLARATION OF EASEMENTS, COVENANTS, CONDITIONS, AND RESTRICTIONS FOR LAKE DOUGLAS PRESERVE RESIDENTIAL SUBDIVISION (the "Declaration") is made this ____ day of _____, 2015, by R & J GROVELAND, LLC, a Florida limited liability company (the "Developer"), which declares hereby that the Property, described in Exhibit "A" attached hereto and by reference incorporated in this Declaration, is and shall be held, transferred, sold, conveyed, and occupied subject to the covenants, restrictions, easements, charges, and liens set forth below.

WHEREAS, the Developer is the owner of certain real property located in Lake County, Florida, more particularly described in Exhibit "A" attached hereto as a part hereof, said land together with such additional lands as shall be subjected to this Declaration being referred to as the "Property"; and

WHEREAS, the Developer has established a land use plan for the Property and the Developer plans to develop the Property and cause or allow construction on the developed lots of single-family detached residential dwelling units; and

WHEREAS, in order to preserve and protect the value and desirability of the Property, the Developer deems it prudent to place this Declaration of record and to subject the Property to the matters set forth below;

NOW, THEREFORE, the Developer declares that all of the Property shall be held, sold, transferred, and conveyed subject to the following easements, restrictions, covenants, and conditions. These easements, restrictions, covenants, and conditions are for the purpose of protecting the value and desirability of the Property as a residential community of high standards, quality, and beauty and shall run with the Property and be binding on all of the parties having any rights, title, or interest in the Property or any part thereof and their heirs, successors, and assigns and shall inure to the benefit of each owner of the Property or any portion thereof.

The Developer further declares that this Declaration and all amendments and supplements thereto shall run with the land and shall be binding upon the Developer, the Association, each Owner, their heirs, successors, and assigns and all parties claiming under them or under this Declaration and shall inure to the benefit of and be enforceable by the Developer, the Association, each Owner, and each succeeding Owner.

Additional land owned by the Developer may be subjected or annexed to this Declaration. The Developer shall not be obligated, however, to develop or annex such additional land. Any such annexation will be governed by the provisions for annexation of land contained herein.

ARTICLE I
DEFINITIONS

The words used above or hereafter in this Declaration which begin with capital letters (other than words which would be normally capitalized) shall have the meanings assigned to them in Article I of this Declaration. The terms used in this Declaration shall be defined as follows, unless the context otherwise requires:

1.1 “Assessments” shall mean and refer to any and all assessments or charges referred to in Article IV of this Declaration.

1.2 “Annual Assessments” shall mean and refer to the Annual General Assessment and any Services Assessment which may be levied by the Association in each of its fiscal years pursuant to Article IV of this Declaration.

1.3 “Annual General Assessment” shall mean and refer to the annual charge established pursuant to Article IV of this Declaration.

1.4 “Articles of Incorporation” shall mean and refer to the Articles of Incorporation of Lake Douglas Preserve Homeowners’ Association, Inc., a copy of which is attached hereto as Exhibit “B” and any amendments thereto.

1.5 “Association” shall mean and refer to the Lake Douglas Preserve Homeowners’ Association Inc., a Florida not-for-profit corporation and its successors and assigns.

1.6 "Builder" shall mean and refer to any legal entity that has acquired or acquires title to any Lot(s) expressly for the purpose of constructing Dwelling Unit(s) thereon for later sale to third-party purchasers in the ordinary course of such entity's business. A Builder shall not be considered an Owner for purposes of Assessments set forth in Article IV of this Declaration, except as otherwise set forth therein.

1.7 “Board of Directors” or “Board” shall mean and refer to the Board of Directors of the Association and any board, group, or entity of the successor or assign to the Association serving in a comparable capacity to the Board of Directors of the Association in accordance with the Articles of Incorporation and the Bylaws of the Association, copies of which are attached hereto as Exhibit “B” and Exhibit “C”, respectively, and by this reference specifically incorporated herein.

1.8 “Bylaws” shall mean the Bylaws of Lake Douglas Preserve Homeowners’ Association Inc., a copy of which is attached hereto as Exhibit “C” and any amendments thereto.

1.9 “City” shall mean and refer to the City of Groveland, a Florida municipal corporation.

1.10 “Class A Members” shall mean and refer to all Owners other than the Class B Member.

1.11 “Class B Member” shall mean and refer to the Developer.

1.12 “Code” shall mean and refer to the Code of Ordinances of the City of Groveland, as such may be amended from time to time.

1.13 “Common Area” shall mean those portions of the Property that are not included in any Lot and that are owned by the Association for the common use and enjoyment of the Owners. Such Property includes property designated as Common Areas in any recorded plat or future recorded supplemental declaration, property the Association does not own but is required to maintain, and property otherwise designated by the Developer as Common Areas, together with the landscaping and any improvements thereon including, without limitation, any and all structures (including the outside portion of any walls built by the Developer bordering public rights-of-way contiguous to the Property), open space, conservation or preservation areas, drainage easements, mitigation buffer areas, littoral zones along retention/detention areas, walkways, swales and spreader swale areas, grass areas and upland buffer areas, signage areas and landscape buffer areas, landscape and wall buffer easement areas, parking areas, median strips in public streets, private streets, sidewalks, sprinkler systems, street lights and entrance features including the lighting, signage and landscaping of the entrance features, but excluding any public utility installations thereon. Common Areas also include easements in favor of the Association.

1.14 “Declaration” shall mean and refer to this Declaration of Easements, Covenants, Conditions, and Restrictions for Lake Douglas Preserve Residential Subdivision as it may be amended or supplemented from time to time in the manner provided herein.

1.15 “Developer” shall mean and refer to R & J GROVELAND, LLC, a Florida limited liability company and its successors and assigns (subject to the terms, conditions, and restrictions as may be imposed on an assignment of Developer’s rights). A successor or assign of R & J GROVELAND, LLC may only be considered a “Developer” if such successors and/or assigns acquire more than one (1) undeveloped lot from the Developer for the purpose of development. The Developer may assign all or any portion of its rights hereunder and Developer may assign all or any portion of its rights with respect to only specified portions of the Property. In the event of a partial assignment, the assignee shall not be deemed the Developer, but may exercise those rights of the Developer specifically assigned to it, if any. Any such assignment may be made on a non-exclusive basis. No successor or assignee of the Developer shall have any rights or obligations of the Developer hereunder unless such rights and obligations are specifically set forth in a written instrument of succession or assignment designating a party as the Developer hereunder or to the extent such passes by operation of law. A Builder shall not be considered a Developer unless such rights and obligations have been specifically assigned to such Builder in such written instrument of succession or assignment designating the Builder as the Developer hereunder or to the extent such passes by operation of law.

1.16 “Development” shall mean and refer to LAKE DOUGLAS PRESERVE, a single-family residential subdivision, and shall refer to the Property, as it is developed pursuant to the Declaration, or any property annexed thereto in accordance with this Declaration.

1.17 “Dwelling Unit” shall mean any portion of the Property, as improved, intended for any type of independent ownership for use and occupancy as a residence by one household and shall, unless otherwise specified, include within its meaning (in way of illustration, but not limitation) patio, single family detached, or zero lot lines homes, as may be used and defined as herein provided or as provided in subsequent Declarations covering all or part of the Property.

1.18 “Exempt Property” shall mean and refer to all land and structures and Common Areas owned by the Association for so long as the Association shall be the owner thereof.

1.19 “Federal Housing Administration” or “FHA” shall mean and refer to that governmental agency of the United States of America so entitled and any agency or regulatory authority of the United States of America which succeeds the Federal Housing Administration.

1.20 “Lot” shall mean and refer to any plot of land shown upon any recorded subdivision map of the Property which has been subjected to this Declaration and upon which a Dwelling Unit could be constructed in accordance with City of Groveland zoning ordinances in accordance with the applicable laws of Florida in effect from time to time. “Lot” shall not mean and refer to Common Areas, dedicated streets or drainage retention facilities.

1.21 “Member” shall mean the Class A Members and the Class B Member.

1.22 “Mortgagee” shall mean the holder of any recorded mortgage, or the party secured or beneficiary of any recorded deed of trust, encumbering one or more of the Lots. “Mortgage”, as used herein shall include deeds of trust. “First Mortgagee” as used herein shall mean a holder of a mortgage with priority over other mortgages. As used in this Declaration, the term “Mortgagee” shall mean any mortgagee and shall not be limited to Institutional Mortgagees. As used in this declaration the term “Institutional Mortgagee” shall include banks, trust companies, insurance companies, mortgage insurance companies, savings and loan associations, trusts, mutual savings banks, credit unions, pension funds, mortgage companies, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, all corporations and any agency or department of the United States Government or of any state or municipal government, the Developer or any affiliate of the Developer, and any other lender generally recognized as an institutional type lender, which holds a mortgage on one or more of the Lots. As used in this Declaration, the term “holder” or “mortgagee” shall include the parties secured by any deed of trust or any beneficiary thereof.

1.23 “Owner” shall mean and refer to the record owner, whether one or more person or entities, of any Lot(s) which is part of the Property but excluding in all cases any party holding an interest merely as security for the performance of an obligation.

1.24 “Person” shall mean and refer to any individual, corporation, joint venture, partnership, association, joint stock company, trust, unincorporated organization, government or any agency or political subdivision thereof, or any other separate legal entity.

1.25 “Property” shall mean and refer to that certain real property in Lake County, Florida, more particularly described on Exhibit “A” attached hereto, together with such additional lands as may be subjected to this Declaration.

1.26 “Resident” shall mean and refer to: (a) each individual occupying any Dwelling Unit pursuant to a lease agreement with the Owner thereof who, if requested by the Board of Directors, has delivered proof of such lease agreement to the Board of Directors; (b) Members of the immediate family of such individual or of an Owner who actually resides within the Property and in the same household with each such individual or Owner; and (c) any Person who has a fixed place of habitation at a Dwelling Unit of any such individual or Owner to which, whenever he is absent, he has the intention of returning.

1.27 “Services Assessment” shall mean and refer to the charge or charges imposed upon a section, neighborhood, housing type, or subdivided parcel of the Property for certain services rendered pursuant to Article IV of this Declaration.

1.28 “Special Assessment” shall mean and refer to any special charge established pursuant to Article IV of this Declaration.

1.29 “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, overdrainage, environmental degradation, and water pollution or otherwise affect the quantity and quality of discharges from the system, as permitted pursuant to Chapter 62-330, F.A.C.

1.30 “Turnover” shall mean the date that is three months after ninety percent (90%) of the Lots in all phases of the community that will ultimately be operated by the Association have been conveyed to the Class A Members.

1.31 “Veterans Administration” or “VA” shall mean and refer to that governmental agency of the United States of America so entitled and any agency or authority of the United States of America which succeeds the Veterans Administration.

ARTICLE II
ASSOCIATION MEMBERSHIP, VOTING
RIGHTS AND THE BOARD OF DIRECTORS

2.1 Organization of the Association. The Association has been organized as a nonprofit corporation under the laws of Florida to:

- (a) Provide for the acquisition, construction, management, maintenance, and care of the Common Areas;
- (b) Obtain, manage and maintain services for the Property (or section thereof) including, as deemed necessary by the Board of Directors, refuse collection, grass mowing of Common Areas or Lot yard areas (if requested), street cleaning, and parking area maintenance and management; and
- (c) Take other acts or action which would promote the health, safety, or welfare of the Owners and Residents.

The Association is charged with such further duties and invested with such powers as are prescribed by the law and set forth in the Articles of Incorporation of the Association and set forth herein as all of the same may be amended from time to time. The Articles of Incorporation and Bylaws of the Association shall not be amended or otherwise changed or interpreted so as to be inconsistent with this Declaration. No part of the net earnings of the Association shall inure (other than by acquiring, constructing, or providing management, maintenance, and care of Common Areas, and other than by a rebate of any excess Annual Assessment, Special Assessment, or other dues, fees, or assessments) to the benefit of any Member or individual.

2.2 Membership in the Association. The Association shall have the following classes of membership:

(a) Class A. Class A members shall be all Owners (with the exception of the Developer as provided in section 2.3(b)). A Person shall automatically become a Class A Member upon becoming an Owner and shall remain a Class A Member for so long as he/she is an Owner; and

(b) Class B. The Class B Member shall be the Developer.

2.3 Voting Rights of Members. Every Owner of a Lot which is subject to Assessment 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. Any person or entity who holds an interest in a Lot merely as a security for the performance of an obligation is not a Member. Any vote of the Members shall be taken without regard to class of membership except in those instances requiring the affirmative vote or approval of each class of membership in accordance with this Declaration, the Articles of Incorporation or the Bylaws of the Association. The Association shall have two (2) classes of voting membership, as follows:

(a) Class A. Except as provided below, each Class A Member shall be entitled to one (1) vote on each matter submitted to the members for each Lot owned by such Class A Member, which is not Exempt Property. If more than one Dwelling Unit is located on any Lot (which is not Exempt Property), the Class A Member owning such Lot shall be entitled to one (1) vote for each Dwelling Unit located on such a Lot. Any Class A Member who is in violation of this Declaration, as determined by the Board of Directors in accordance with the provisions hereof and any regulations established hereunder, shall not be entitled to vote during any period in which such violation continues. If a Lot shall be owned by more than one Owner, such Owners shall be deemed to constitute a single Class A Member as to such Lot and shall collectively be entitled to a single vote for such Lot (or for each Dwelling Unit located on such Lot) as to each matter properly submitted to the Members.

(b) Class B. The Class B Member shall be entitled to three (3) votes for each Lot owned by the Developer; provided however that after Turnover the Class B Member shall be entitled to one (1) vote for each Lot owned by the Developer. The Class B membership shall terminate and become converted to Class A membership upon the happening of the earlier of the following:

(i) the date that is three months after ninety percent (90%) of the Lots in all phases of the community that will ultimately be operated by the Association have been conveyed to the Class A Members;

(ii) Ten (10) years from the date this Declaration is recorded in the Public Records of Lake County, Florida; or

(iii) Such earlier time as the Developer, in its sole discretion, determines as evidenced by a written waiver.

From and after the happening of these events, whichever occurs earlier, the Class B Members shall be deemed Class A Members entitled to one (1) vote for each Lot in which it holds the interest.

2.4 Board of Directors. The business and affairs of the Association shall be managed by a Board of Directors elected by the Members without regard to class of membership. The election of Directors by the Members shall take place after Developer no longer has the authority to appoint the Board (in accordance with the Articles of Incorporation). Directors shall be elected by the Members in accordance with the Bylaws of the Association. The number of Directors shall be determined in accordance with the provisions of the Bylaws of the Association; however, the number of Directors shall always be an odd number.

2.5 Adoption of Further Rules and Regulations. The Board of Directors may make such rules and regulations, consistent with the terms of this Declaration and the Articles of Incorporation and Bylaws, as it deems advisable with respect to any meeting of Members, proof of membership in the Association, evidence of right to vote, appointment and duties of inspectors of votes, registration of Members for voting purposes, voting by proxy, and other matters concerning the Association's operations. If the Board of Directors shall so determine and if permitted under applicable law, voting on elections and other matters may be conducted by mail, ballot, by proxy, or other reliable electronic means.

2.6 Limitation of Liability. The Association shall not be liable for any failure of any services to be obtained by the Association or paid for out of the common expense funds, or for the injury or damage to person or property cause by the elements or resulting from water which may leak or flow from any portion of the Common Areas or its facilities or from any wire, pipe, drain, conduit, or the like. The Association shall not be liable to any Members for loss or damage, by theft or otherwise, of articles which may be stored upon the Common Areas or its facilities. No diminution or abatement of assessments shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs or improvements to the Common Areas or its facilities, or from any action taken by the Association to comply with any of the provisions of this Declaration, with any law or ordinance, or with an order or directive of any municipal or other governmental authority.

2.7 Voting-General Matters. When reference is made herein or in the Articles, Bylaws, Rules and Regulations, management contracts or otherwise, to a majority or specific percentage of Members, such reference shall be deemed to be reference to a majority or specific percentage of the permitted votes of the Members and not of the Members themselves.

2.8 Documents, Books and Papers of the Association. The Association shall have current copies of the following available for inspection, upon request, during normal business hours, to Members and their authorized agents, prospective purchasers, and lienholders: (a) any plans, specifications, permits, and warranties related to improvements constructed on the common areas or other property that the association is obligated to maintain, repair, or replace; (b) Declaration and any amendments thereto; (c) the Bylaws of the Association and any amendments thereto; (d) the Articles of Incorporation and any amendments thereto; (e) the Rules and Regulations for the Property; (f) the minutes of all meetings of the board of directors and of the members, which minutes must be retained for at least seven (7) years; (g) a current roster of all members and their mailing addresses (and electronic mailing addresses, if applicable) and parcel identifications; (h) all of the Association's insurance policies or a copy thereof, which policies must be retained for at least seven (7) years; (i) a current copy of all contracts to which the association is a party; (j) the financial and accounting records of the association; (k) a copy of the disclosure summary; and (f) the books, records, and financial statements of the Association. The preceding sentence shall not include any documents excluded from inspection as set forth in Section 720.303(5)(c) of the Florida Statutes. The Association may adopt reasonable rules governing the frequency, time, location, notice, and manner of such

inspections, and may impose fees to cover the Association's costs of providing copies of such records. Provided, however, said records shall be made available for inspection by Members or their authorized agents at reasonable times and places within ten (10) business days after receipt of a written request for access.

ARTICLE III
PROPERTY RIGHTS IN THE COMMON AREAS AND OTHER EASEMENTS

3.1. Rights of Enjoyment of the Common Areas. Each Owner, and tenant and invitee of such Owner, shall have a right and nonexclusive easement of enjoyment in and to the Common Areas for the intended use and enjoyment thereof in common with all other such Owners, their tenants and invitees, which shall be appurtenant to and shall pass with the title to his/her Lot. Each Resident shall have a nontransferable right to use and enjoy the Common Areas, which right shall terminate when such person ceases to have the status of a Resident. No person entitled to use and enjoy the Common Areas may do so in any manner inconsistent with intended use or purpose of the Common Areas. Without limiting the generality of the foregoing, such rights of use and nonexclusive easement of enjoyment are hereby made subject to the following:

(a) The right and duty of the Association to levy Assessments against each Lot for the purpose of maintaining the Common Areas in compliance with the provisions of this Declaration and with the restrictions on the plats of portions of the Property from time to time recorded.

(b) The right of the Board of Directors to adopt, promulgate, enforce, and from time to time amend, reasonable rules and regulations pertaining to the use of Common Areas which shall enhance the preservation of such facilities and the safety and convenience of the users thereof. Such rules and regulations may include limitations on the number of guests of Owners and Residents who may use the Common Areas at any one time, the right to fine Owners as provided herein, and the right to establish and charge reasonable admission and other fees for certain types of extraordinary uses of the Common Areas. Any rule and/or regulation so adopted by the Board of Directors shall apply until rescinded or modified as if originally set forth at length in this Declaration.

(c) The right to the use and enjoyment of the Common Areas and facilities thereon shall extend to the Owner's immediate family who reside with the Owner, subject to regulation from time to time by the Association in its lawfully adopted and published Rules and Regulations.

(d) The right of the Developer to permit such persons as the Developer shall designate to use the Common Areas and all recreational facilities thereon (if any).

(e) The right of the Association, by a two-thirds (2/3) affirmative vote of the entire membership, to dedicate, sell, or transfer all or portions of the Common Areas to a public agency under such terms as the Association deems appropriate and to create or contract with special taxing districts for lighting, roads, recreational or other services, security or communications and other similar purposes deemed appropriate by the Developer (to which such creation or contract all Owners hereby consent).

(f) The right of the Association to suspend, for a reasonable time, the voting rights of an Owner and/or the right of any Owner or Resident (and their tenants, guests, and invitees) to use all or any portion of the Common Areas (with the exception of any streets or access ways) as a result of a violation

by the Owner (or by the Owner's tenant, guest, or invitee) of any covenant, condition, or restriction contained in this Declaration.

(g) The right of the Board of Directors to regulate parking on Common Areas through the granting of easements, licenses, or promulgation of rules and regulations.

3.2. Easement Appurtenant. The rights and easements provided in Section 3.1 shall be appurtenant to and shall pass with the title to each Lot.

3.3. Maintenance.

(a) The Association shall maintain in good repair and shall manage, operate and insure, and shall replace as often as necessary, the Common Areas, including but not limited to the paving, drainage structures, street lighting fixtures and appurtenances, landscaping, improvements and any other structures (except utilities) situated or built on the Common Areas (the "Improvements"), with all such work to be done as ordered by the Board of Directors of the Association. Maintenance of the aforesaid street lighting fixtures shall include and extend to payment for all electricity consumed in their illumination. The Association shall maintain the outside portion of the walls (the side thereof not facing the Property), if any, constructed by the Developer along the perimeter of the Property and each Owner shall maintain the inside surface of that portion of any such wall that lies on or adjoins the Owner's Lot, as well as any other wall or fence that is on the Owner's Lot. The Owner shall not make any changes in the wall, including, but not limited to, change of paint color on the outside of the wall, without the express written approval of the Association.

(b) Without limiting the generality of the foregoing, the Association shall assume all of the Developer's and its affiliates' responsibility to any governmental agencies of any kind with respect to the Improvements and the Common Areas and shall indemnify and hold the Developer and its affiliates harmless with respect thereto.

(c) All work pursuant to this Section and all expenses incurred hereunder shall be paid for by the Association through Assessments (either by General Assessment or Special Assessment) imposed in accordance with this Declaration. No Owner may waive or otherwise escape liability for Assessments by non-use of the Common Areas or abandonment of the right to use the Common Areas.

(d) 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(s) shall mean the exercise of practices which allow the systems to provide drainage, water storage, conveyance or other surface water or stormwater management capabilities as permitted by the St. Johns River Water Management District. The Association shall be responsible for such maintenance and operation. Any repair or reconstruction of the surface water or stormwater management system shall be as permitted or, if modified, as approved by the St. Johns River Water Management District.

3.4. Rights of the City of Groveland. The City of Groveland shall hereby have the right, but not the obligation, to access, maintain, repair, replace, and/or otherwise care for or cause to be cared for any and all private easements, Common Areas and/or rights-of-way, including, but not limited to, depicted on the plat as recorded in Plat Book _____, Pages _____, Public Records of Lake County, Florida. In the event said private easements, Common Areas, improvements, and/or rights of way are not maintained

or such become a nuisance, or in the event the City of Groveland exercises the aforementioned right, the Association and each Lot Owner are hereby ultimately responsible for payment of the cost of maintenance, repair, replacement, and care provided by the City of Groveland, or its agents, plus administrative costs and attorneys' fees incurred by or for the City of Groveland. Said costs shall be a lien or Assessment on all Lots in the Development and on all Association property, and may be enforced by foreclosure proceedings and other remedies. This right and the City's exercise of said right shall not impose any obligation on the City to maintain said private easements, common areas, improvements or rights-of way.

3.5. Utility Easements. Use of the Common Areas for utilities, as well as use of the other utility easements as shown on relevant plats, shall be in accordance with the applicable provisions of this Declaration. Easements for installations and maintenance of utilities and drainage facilities are reserved as shown on the recorded plats covering the Property, as shown on the final surveys, and as provided herein. Within these easements, no structure, planting, or other material may be placed or permitted to remain that will interfere with, damage, or prevent the maintenance of utilities or obstruct or retard the flow of water through drainage channels in the easements, or otherwise prevent or impede the intended use of the easement, except with the consent of the Board of Directors and the appropriate governmental agency. The area of each Lot covered by an easement and all improvements in the area shall be maintained continuously by the Owner of the Lot, except as provided herein to the contrary and except for installation for which a public authority or utility company is responsible. The appropriate water and sewer authority, electric utility company, telephone company, the Association, the Developer, its affiliates and their respective successors and assigns, shall have a perpetual easement for the installation and maintenance of underground facilities and equipment including but not limited to water lines, sanitary sewers, storm drains, electric line, telephone line, security lines, cables, and conduits, under and through the utility easements as shown on the plats of the Property. The Developer and its affiliates, and their designees, successors, and assigns, shall have a perpetual easement for the installation and maintenance of cable, antenna, radio, television, and security lines within platted utility easement areas. All utilities and lines within the Development, whether in street rights-of-way or utility easements, shall be installed and maintained underground. The Developer and its affiliates, and its and their designees, shall have a perpetual easement over, upon, and under the Common Areas for the installation and maintenance of community and/or cable TV and security and other underground television, radio and security cables for service to the Lots and other portions of the Development.

3.6. Public Easements. Fire, police, health and sanitation, park maintenance, and other public service personnel and vehicles shall have a permanent and perpetual easement for ingress and egress over and across the Common Areas.

3.7. Ownership and Use of the Common Areas.

(a) The Common Areas shall be for the nonexclusive joint and several use, in common, by the Developer and the Owners of all Lots that may from time to time constitute part of the Property and the Developer's and Owners' tenants, guests and invitees.

(b) The Common Areas (or appropriate portions thereof) shall be conveyed to the Association, which shall accept such conveyance, upon the later of: (i) completion of any improvements thereon; (ii) the date the first Lot, with a residence built thereon, has been conveyed to a purchaser; or (iii) such earlier time as Developer in its sole discretion, determines.

(c) Beginning from the date on which this Declaration is recorded in the Public Records of Lake County, Florida, the Association shall be responsible for the maintenance of the Common Areas (whether or not such Common Areas have yet been conveyed in accordance with Section 3.7(a)) and such maintenance is to be performed in a continuous and satisfactory manner in accordance with the provisions of this Declaration.

(d) As long as there is a Class B Membership, the Federal Housing Administration and the Veterans Administration must approve any dedication of the Common Areas.

(e) The Common Areas cannot be mortgaged or conveyed without the consent of two-thirds (2/3) vote of the Class A Members of the Association.

(f) It is intended that all real estate taxes assessed against that portion of the Common Areas owned or to be owned by the Association shall be proportionately assessed against and payable as part of the taxes of the Lots. However, notwithstanding the foregoing, in the event that any such taxes are assessed directly against the Common Areas, the Association shall be responsible for the payment of those taxes, including taxes on any improvements and any personal property located thereon.

(g) The Developer and its affiliates shall have the right to enter upon the Common Areas and other portions of the Property for the purpose of construction, reconstruction, repair, replacement, and/or alteration of any Improvements or facilities on the Common Areas or elsewhere on the Property, that the Developer and its affiliates elect to effect, and to use the Common Areas and other portions of the Property for displays, and signs.

(h) The Developer and its affiliates shall have the specific right to maintain upon any portion of the Property sales, administrative, construction, and other offices without charge, and appropriate easements of access and use are expressly reserved unto the Developer and its affiliates, and its and their successors, assigns, employees, and contractors, for this purpose.

(i) Any obligation to complete portions of the Common Areas shall, at all times, be subject and subordinate to these rights and easements and to the above-referenced activities.

3.8. Other Easements.

(a) The Owner of each Lot shall have an easement of access over and upon adjoining Lots and the Common Areas for the purpose of allowing such Owner to maintain and repair air-conditioning compressors, air-conditioning equipment, meters, and other equipment serving such Owner's Lot which may be located on or extending onto such adjoining Lots or Common Areas. Easements are reserved over each Lot and the Common Areas in favor of each other Lot and the Common Areas in order to permit drainage and run-off from one Lot (and its improvements) to another or to the Common Areas or from the Common Areas to any Lot or Lots. In the event any portion of any Lot (or of the improvements thereon) encroaches upon the Common Areas as a result of the construction, reconstruction, repairs, shifting, settlement, or moving of any portion of the Property, a valid easement for the encroachment is hereby created and granted. Notwithstanding the foregoing, no easement for an encroachment shall exist for any encroachment occurring due to the willful conduct of an Owner. The Association is granted an easement over the Lot of each Owner for the purpose of enforcing the provisions of this Declaration, and may go upon any Lot as necessary to remove or repair any cause or condition that constitutes a violation of any

provision of this Declaration. If the Association, after notice to the Owner and failure to cure by the Owner, does in fact exercise its right to cure such a cause or condition, then all costs incident to the Association's actions shall become the personal obligation of the Owner and be imposed as a lien against the Lot in the same fashion as if those sums represented monies due for unpaid assessments.

(b) The Association shall have the right to grant permits, licenses, and easements over the Common Areas for utilities, roads, and other purposes reasonably necessary or useful for the proper maintenance and operation of the Development. The Association shall be required to grant all easements or agreements as required by jurisdictional agencies as a result of the development of the Property into a subdivision.

(c) Each Owner shall have an easement extending over the Owner's common boundaries with all adjoining Lots for purposes of construction/removal of improvements such as, but not limited to, pools, structural additions, fences, and trees. Any disturbance of an adjoining Lot resulting from the use of the aforementioned easement will require that the user return the Lot to its state before the disturbance.

(d) 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 enter 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 St. Johns River Water Management District permit. Additionally, the Association shall have a perpetual non-exclusive easement for drainage over the entire surface water or stormwater of 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 St. Johns River Water Management District.

3.9. Future Development Easements. In conjunction with the development of other surrounding lands (not necessarily abutting lands), the Association shall be required to grant the Developer and its affiliates and their respective successors and assigns, upon request, necessary easements as required by jurisdictional agencies for the installation and maintenance of underground facilities and equipment such as water or line, sanitary sewers, storm drains, and electric, telephone and security lines, cables, and conduits, under and through the common area tracts and other lands owned by the Association as shown on the plats of the Property. In conjunction with the development of interconnected road networks of other surrounding lands (not necessarily abutting lands), the Association shall be required to grant the Developer and its affiliates and their respective successors and assigns, upon request, necessary easements for ingress and egress as may be required by jurisdictional agencies through the common area tracts and other lands owned by the Association as shown on the plats of the Property. The Association shall not deed common area lands or lands owned by the Association without prior written consent of the Developer.

ARTICLE IV **COVENANT FOR ASSESSMENTS**

4.1 Creation of the Lien and Personal Obligation of the Assessments. The Developer hereby covenants, and each Owner of any Lot (with the exception of a Builder) by acceptance of a deed, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association such Assessments, including but not limited to the Annual General Assessments, Services Assessments, and

Special Assessments, as are established and are to be paid and collected as hereinafter provided. The Assessments, together with interest thereon, late fees, and costs of collection thereof, as herein after provided, shall be a charge on the land and shall be a continuing lien upon the Lot against which each such Assessment is made. Each such Assessment, together with interest thereon, late charges, and cost of collection thereof, shall also be the personal obligation of the Person who was the Owner of such Lot at the time when the Assessments shall pass to successors in title and both parties (seller and purchaser) shall be jointly liable for the Assessments. Assessments shall not be levied on a Lot owned by a Builder until Builder conveys such Lot to a third-party purchaser. Such Builder exemption from Assessments shall not apply to any Lots with Dwelling Units rented by Builder for residential occupancy. No Owner may waive or otherwise escape liability for the Assessments provided for herein by non-use of the Common Areas or abandonment of his/her Lot or any Dwelling Unit thereon.

4.2 Purpose of Assessments. The Assessments levied by the Association shall be used exclusively to carry out the business and responsibilities of the Association including, but not limited to, the following: (a) construction, management, maintenance and care, repair, or replacement of the Common Areas (including walls); (b) certain Lot maintenance; (c) capital improvements; (d) insurance; (e) cash reserves (if any); (f) payment of taxes on the Common Areas; (g) promoting the health, safety, welfare, and recreational opportunities of the Members of the Association and their families residing with them, their guests, and their tenants; and (h) the maintenance and repair of the surface water or stormwater management systems and mitigation or preservation areas, including, but not limited to, services provided within retention areas, drainage structures, and drainage easements.

4.3 Annual General Assessment. The Association shall levy in each of its fiscal years an Annual General Assessment against each Lot which is owned or occupied by a Person who is not the Developer and which is not Exempt Property. Each Owner of a Lot by acceptance of a deed or conveyance thereof, whether or not it shall be so expressed in such deed or other conveyance, shall be deemed to covenant and agree to pay to the Association an Annual General Assessment of four hundred dollars (\$ 400.00) per fiscal year or such other amount as determined by the Board of Directors according to its estimate of the cost of providing services or rights of use which are common to all of the Lots pursuant to this Declaration. A minimum of five percent of assessment will be set aside to replace landscaping in the common areas. The common areas are to include landscape buffers, street trees and parks/recreation areas.

4.4 Services Assessments. In addition to the Annual General Assessment and any other Assessment authorized herein, a Services Assessment may be levied by the Board of Directors against certain section(s) of neighborhoods of the Property or against any particular housing type, for special services which shall be determined by the Board of Directors according to the estimated cost of providing services or rights of use to the Lots in such section, which services or rights are not enjoyed by all of the Members of the Association. The amount of a Services Assessment shall be the same to each Lot in any section but need not be uniform with the Services Assessment imposed upon Lots in other sections. Before Turnover, the Board of Directors may not levy a Special Assessment unless a majority of the parcel owners other than the developer has approved the Special Assessment by a majority vote at a duly called special meeting of the membership at which a quorum is present.

4.5 Special Assessments. In addition to the Annual General Assessment and any other Assessment authorized herein, the Board of Directors may levy in any fiscal year of the Association, a Special Assessment for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair, or replacement of the Common Areas including fixtures and personal property

related thereto, or for any other purpose for which the Association is responsible. Special Assessments may be levied against particular Lots or Owners (to the exclusion of others).

(a) Special Assessment for Specific Damage. Owners (on their behalf and on behalf of their children, tenants, and guests) causing damage to any portion of the Common Areas as a result of misuse, negligence, failure to maintain, or otherwise shall be directly liable to the Association for the cost of repairing damages or otherwise remedying the effects of their actions, and a Special Assessment may be levied against such Owner or Owners.

(b) Special Assessment for Exterior Maintenance on Lots. Except as contemplated specifically herein, each Owner shall at all times maintain the structures and grounds on his Lot, including, without limitation, all fencing, in a clean and attractive condition and as provided elsewhere herein. Each Owner shall maintain the grass and landscaping located in the public right-of-way abutting such Owner's Lot. Upon an Owner's failure to do so, the Association may at its option, after giving the Owner five (5) days written notice sent to his/her last known address and/or to the affected Lot, take the actions the Association deems necessary to place that Lot and the improvements thereon in full compliance with this Declaration including, but not limited to, cutting that portion of the grass, weeds, shrubs, and vegetation which the Owner is to maintain (when and as often as the Association deems necessary), removal of dead trees, shrubs, and plants from such Lot, and having the Lot resodded or landscaped. All expenses of the Association for work performed or actions taken under this provision shall be a lien and Special Assessment charged against the Lot on which the work was done and shall be the personal obligation of all Owners of such Lot. No bids need to be obtained by the Association for any such work and the Association shall designate the contractor or other service provider in its sole discretion.

4.6 Initiation Assessment. Each time a Lot is conveyed or title is otherwise transferred by an Owner or Builder to his successor, an initiation assessment of Two Hundred Fifty Dollars (\$250.00) shall be due to the Association from either the new Owner or the conveying Owner. Each Initiation Assessment shall be paid to the Association concurrent with the conveyance or other transfer of title, and shall constitute a lien against the applicable Lot until paid in full. The Board of Directors may from time to time increase the Initiation Assessment; however, the Initiation Assessment shall not increase by more than one hundred dollars (\$100.00) during any calendar year unless the Owners approve a greater increase by majority vote. The Initiation Assessments may be used in the discretion of the Board of Directors for any purpose for which the Annual General Assessment may be used. The Initiation Assessment may sometimes be referred to as the "Initiation Fee."

4.7 Personal Obligation. The Annual General Assessments, Special Assessments, Services Assessments and any other Assessments set forth herein, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall also be the personal obligation of the Person who is the Owner of the Lot against which the assessment is levied at the time when the assessment fell due and the obligation of all subsequent Owners until paid.

4.8 Uniformity. Except as otherwise provided herein with respect to Special Assessments and Service Assessments, which may be imposed on one or more Lots and Owners to the exclusion of others, all Assessments imposed by the Association shall be imposed against all Lots equally.

4.9 Educational Facility Benefit District. All platted lots shall be subject to the educational facility benefit district (EFBD) to be established between the city and the Lake County School Board.

Additionally, every owner of a lot shall promptly pay the annual assessment to be set by the EFBD, which assessment may appear on the annual property tax bill for the lot.

4.10 Date of Commencement for the Annual General Assessment and the Initial Assessment and the Due Date for other Assessments. The Annual General Assessment shall commence for each Lot subjected to this Declaration on the first day of the month following the date of conveyance of the Lot to a Class A Member. The first Annual General Assessment and Service Assessment, if any, shall be adjusted according to the number of months remaining in the calendar year. The Annual General Assessments shall be payable in advance in monthly installments or in annual, semi-annual, or quarter-annual installments as determined by the Board of Directors. The due date of any Special Assessment, Initiation Assessment or Service Assessment shall be fixed in the Board resolution establishing such assessment.

4.11 Duties of the Board of Directors with respect to Assessments.

(a) The Board of Directors shall fix the commencement date and the amount of the Assessment against each Lot subject to the Association's jurisdiction for each assessment period to the extent practicable at least thirty (30) days in advance of such date or period and shall, at that time, prepare a roster of the Lots and Assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner.

(b) Written notice of the Assessment shall be sent to every Owner subject thereto thirty (30) days prior to the due date for payment of the first installment thereof, except as to emergency Assessments. In the event no such notice of a change in the Assessments for a new assessment period is given, the amount payable shall continue to be the same as the amount payable for the previous period, until changed in the manner provided for herein.

(c) 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 reporting on the status of Assessments on a Lot is binding upon the Association as of the date of its issuance. The Association may delegate to a management company, financial institution, or mortgage company responsibility for collection of Assessments.

(d) The Association, through the action of its Board of Directors, shall have the power, but not the obligation, to enter into an agreement or agreements from time to time with one or more persons, firms, or corporations (including affiliates of the Developer) for management services. The Association shall have all other powers provided in its Articles of Incorporation and Bylaws.

4.12 Effect of Non-Payment and Remedies of the Association.

(a) If the Assessments (or any installment payment for an Assessment) are not paid on the date(s) when due (being the date(s) specified herein), then such Assessments (or installment(s)) shall become delinquent and shall thereupon, together with late charges, interest, and the cost of collection thereof as hereinafter provided, become a continuing lien on the Lot which shall bind that Lot in the hands of the then Owner, his heirs, personal representatives, successors, and assigns. The personal obligation of the then Owner to pay such Assessment shall pass to his successors in title and recourse may be had against either or both.

(b) If any installment of an Assessment is not paid within fifteen (15) days after the due date, at the option of the Association, a late charge not to exceed the greater of \$25 or five percent (5%) of the amount of each installment that is paid past the due date (provided that only one late charge may be imposed on any one unpaid installment and if such installment is not paid thereafter, it and the late charge shall accrue interest as provided herein but shall not be subject to additional late charges); provided, however, that each other installment thereafter coming due shall be subject to one late charge each as aforesaid, or the next six (6) months' worth of installments may be accelerated and become immediately due and payable in full and all such sums shall bear interest (at the highest rate allowable by law) from the dates when due until paid at the highest lawful rate.

(c) The Association may bring an action at law against the Owner(s) personally obligated to pay the Assessment and may record a claim of lien (as evidence of its lien rights as hereinabove provided for) against the Lot on which the Assessments and late charges are unpaid and may foreclose the lien (in the manner to foreclose a mortgage) against the Lot on which the Assessments and late charges are unpaid. The Association may pursue one or more of such remedies at the same time or successively and reasonable attorneys' fees and costs necessary for the collection of the unpaid Assessment including, but not limited to, preparing and filing the claim of lien and the complaint, shall be added to the amount of such Assessments, late charges, and interest. In the event a judgment is obtained, such judgment shall include all such sums as above provided and reasonable attorneys' fees to be fixed by the court together with the costs of the action, and the Association shall be entitled to reasonable attorneys' fees in connection with any appeal of any such action. No Owner may waive or otherwise escape liability for the Assessments provided for herein by non-use of the Common Areas or abandonment of his/her Lot.

(d) In the case of an acceleration of the next six (6) months' worth of installments, each installment so accelerated shall be deemed, initially, equal to the amount of the then most current delinquent installment, provided, that if any such installment so accelerated would have been greater in amount by reason of a subsequent increase in the applicable Assessment or budget, the Owner of the Lot whose installments were so accelerated shall continue to be liable for the balance due by reason of such increase and Special Assessments against such Lot shall be levied by the Association for such purpose.

(e) No Owner acquiring title to a Lot against which an Assessment is delinquent shall be entitled to enjoy or use the Common Areas until such time as all unpaid and delinquent Assessments due and owing from the selling Owner have been paid in accordance with the provisions set forth herein; provided, however, that the provisions of this sentence shall not be applicable to the mortgages and purchasers contemplated by Section 4.8 entitled "Subordination of the Lien". The Board shall also have the right to suspend any or all voting rights of any Owner who has failed to pay Assessments due from him within ninety (90) days after such Assessments become due.

(f) It shall be the legal duty and responsibility of the Association to enforce payment of the Assessments hereunder. Failure of the Association to send or deliver bills shall not; however, relieve Owners from their obligations hereunder. Notwithstanding the foregoing obligations, the Association may compromise or settle any claim(s) for delinquent Assessments upon terms which the Board, in its sole discretion, deems reasonable and in the best interest of the Association.

(g) All Assessments, late charges, interest, penalties, fines, reasonable attorneys' fees and costs, and other sums provided for herein shall accrue to the benefit of the Association.

4.13 Lien. The Association shall have a lien on each parcel to secure the payment of Assessments and other amounts due to the Association, including but not limited to fines (as set forth herein).

4.14 Subordination of the Lien. The lien of the Assessments provided for in this Article shall be a lien superior to all other liens except real estate tax liens and the lien of any first mortgage to any Institutional Lender now or hereafter encumbering a Lot. Notwithstanding the foregoing, an Institutional Lender mortgagee (when in possession), a receiver and, in the event of an anticipated/pending foreclosure, any purchaser at a foreclosure sale, any mortgagee acquiring a deed in lieu of foreclosure and all persons claiming by, through, or under such purchaser or mortgagee, shall hold title subject to the liability and lien of any Assessment coming due after such date of the foreclosure sale (or the date of the conveyance in lieu of foreclosure). Any unpaid Assessment which cannot be collected as a lien against any Lot by reason of the provisions of this Section shall be deemed to be an Assessment divided equally among, payable by, and a lien against all Lots subject to assessment. No purchaser at a foreclosure sale and no persons claiming by, through, or under an Institutional Lender acquiring title to a Lot through foreclosure or a deed in lieu thereof, shall be personally obligated to pay Assessments that accrue prior to the Institutional Lender's or the foreclosure purchaser's acquiring title.

4.15 Access at Reasonable Hours. The Association, through its duly authorized agents, employees or independent contractors, shall have the right, after reasonable notice to the Owner, to enter upon any Lot at reasonable hours on any day for the purpose solely of performing exterior maintenance on the Lot, and shall also have a reasonable right of entry upon any Lot to make emergency repairs or to do other work reasonably necessary for the proper maintenance or operation of the Development.

4.16 The Developer's Assessment. The Developer, as a Lot Owner, shall be relieved from the obligation of paying Assessments levied against the Lots owned by the Developer, but instead shall be obligated to pay any operating expenses incurred by the Association that exceed the Assessments receivable from other Members and other income of the Association. The Developer may at any time elect, in lieu of paying the operating deficits as provided above, to pay the same Assessments as are paid by other Owners, in which event Developer shall no longer be obligated to pay the operating deficits.

4.17 Trust Funds. The portion of all Assessments collected by the Association for reserves for future expenses (including the reserve fund set forth below) and the entire amount of all Special Assessments shall be held by the Association for the Owners of all Lots, as their interest may appear, and may be invested in interest-bearing accounts, certificates of deposit, or other like instruments or accounts available at banks or savings and loan institutions, the deposits of which are insured by an agency of the United States.

4.18 Reserve Fund(s). The Association may establish and maintain, out of Assessments, a reserve fund(s) for deferred expenditures, including but not limited to capital expenditures and deferred maintenance for the Common Areas.

4.19 Exempt Property. All properties dedicated to and accepted by a local public authority shall be exempt from the Assessments created herein.

ARTICLE V

ARCHITECTURAL REVIEW AND COVENANTS COMMITTEE

5.1 Composition and Appointment of the Architectural Committee. An Architectural Review and Covenants Committee (the “Architectural Committee”) may be appointed by the Board of Directors. Such Committee shall initially consist of three (3) members, but may thereafter be increased or decreased in size by the Board of Directors, from time to time. Members of the Architectural Committee shall serve for a term of one (1) year or until their successors are elected and qualified. Any vacancy in the membership of the Architectural Committee shall be filled by the Board of Directors to serve for the remaining portion of the term of the originally appointed member. If any vacancy shall occur, the remaining members of the Architectural Committee may continue to act until the vacancy has been filled. Any member of the Architectural Committee may be removed with or without cause by the Board of Directors. In the event that the Board of Directors shall fail to designate an Architectural Committee, the Board of Directors shall serve as the Architectural Committee. A majority of the Architectural Committee may take any action the Architectural Committee is empowered to take, may designate a representative to act for the Architectural Committee, and may employ personnel and consultants to act for it. The members of the Architectural Committee shall not be entitled to any compensation for any services performed. The Architectural Committee shall act on submissions to it within forty-five (45) days after receipt of the same (and all further documentation required).

5.2 Powers and Duties of the Architectural Committee. The Architectural Committee shall serve as an architectural review board and shall regulate the external design, appearance, and location of the Lots and Structures thereon as to enforce the architectural provisions of this Declaration, enforce the requirements of the recorded subdivision plats, deeds of subdivision, and to preserve and enhance values and to maintain a harmonious relationship among Structures and the Property. Any change in the exterior appearance of any building (including any change in the exterior color of the building, wall, fence, or other structure or improvements), any change in the appearance of the landscaping or the Lot, and any variations from certain requirements as set forth in Article VI of this Declaration shall be deemed an alteration requiring approval of the Architectural Committee under this Section.

5.3 Submissions of Plans to Architectural Committee for Approval. Except for such Structures as may be constructed by the Developer, no Structure of any kind whatsoever shall be commenced, erected, placed, moved onto, or permitted on any Lot, nor shall any existing Structure upon any Lot be removed or altered in any way which materially changes the exterior appearance thereof (including change of exterior color) until plans and specification therefore shall have been submitted to and approved in writing by the Architectural Committee. Such plans and specifications shall be in such form and shall contain such information as the Architectural Committee may reasonably require, which may include:

- (a) A site plan showing the location of all proposed and existing Structures on the Lot and all existing Structures on adjoining Lots;
- (b) Exterior elevations for the proposed Structures;
- (c) Specifications of materials, color scheme and other details affecting the exterior appearance of the proposed buildings; and
- (d) Description of the plans or provisions for landscaping or grading.

5.4 Approvals/Disapprovals. Any approval or disapproval of a requested action by the Architectural Committee shall be in writing. In denying an application, the Architectural Committee shall specify the reasons for such denial. The Architectural Committee may approve an application subject to such conditions and qualifications as the Board of Directors deems appropriate to enforce the architectural provision of this Declaration. Refusal by the Architectural Committee to approve a submission may be based on any ground, including purely aesthetic grounds. Any decision or determination by the Architectural Committee may be appealed by a Member affected thereby to the Board of Directors upon written notice to the Board of Directors but such appeal must be received by the Board of Directors in writing within thirty (30) days of the receipt by the Member of the Architectural Committee's disapproval of the application.

5.5 Failure of the Architectural Committee to Act. If the Architectural Committee shall fail to act upon any request submitted to it within forty five (45) days after complete submission thereof in a form acceptable to the Architectural Committee, such request may be submitted by the Member directly to the Board of Directors for approval. If the Board of Directors shall fail to act within forty five (45) days after receipt of the written submission to the Board of Directors, then such request shall be deemed to have been approved as submitted, and no further action shall be required. Submission of incomplete plans shall not be considered valid submissions triggering the deadlines stated above and shall not be recognized by the Architectural Committee or the Board of Directors.

5.6 Rules, Regulations, and Policy Statements. The Architectural Committee may recommend, from time to time, subject to the approval and adoption of the Board of Directors, reasonable rules and regulations pertaining to its authorized duties and activities under this Declaration and may from time to time issue statements of policy with respect to architectural standards and such other matters as it is authorized to act. The Architectural Committee shall adopt rules of procedure, subject to the prior approval and adoption of the Board of Directors, which rules of procedure shall include provisions substantially to the following effect:

(a) The Architectural Committee shall hold regular meetings as necessary. Meetings of the committee may be called by the Chairman and by a majority of the members of said committee;

(b) A majority of the members of the Architectural Committee present at any meeting shall constitute a quorum;

(c) The architectural committee shall maintain minutes of its meetings and a record of the votes taken at the meetings;

(d) All meetings of the Architectural Committee shall be open to the Members of the Association and any vote of the Architectural Committee shall be taken at an open meeting. Nothing contained herein, however, shall prevent the Architectural Committee from meeting in closed session or executive session in accordance with State and Federal laws or regulations; and

(e) A copy of all minutes, rules, regulations, and policy statements of the Architectural Committee shall be filed with the records of the Association and shall be maintained by the Association as a permanent public record. The Association shall make copies thereof available to any interested Member at reasonable cost or shall make such minutes, rules, regulations and policy statements available to any Member for copying.

5.7 Expenses of the Architectural Committee. The Architectural Committee may charge reasonable fees for the processing of any requests, plans, and specifications including consultation with a professional. The Association shall pay all ordinary and necessary expenses of the Architectural Committee; provided however, no member of the Architectural Committee shall be paid any salary or receive any other form of compensation, at the expense of the Association, except upon authorization by the Board of Directors and upon approval by: (a) sixty-six and two thirds percent (66 2/3%) of the votes cast by the Class A Members who are voting in person or by proxy at a meeting duly called for such purpose at which a quorum of fifteen percent (15%) is present; and (b) the Class B Member voting in person or by proxy at such meeting (if applicable).

5.8 Right of Entry. The Association and the Architectural Committee through their authorized officers, employees, and agents shall have the right to enter upon any Lot at all reasonable times for the purpose of ascertaining whether such Lot or the construction, placement, remodeling, or alteration of any Structure thereon is in compliance with the provisions of this this Declaration, without the Association or the Architectural Committee and their authorized officers, employees, and agents being deemed to have committed a trespass or wrongful act solely by reason of such action or actions.

5.9 Land Development Activity. The foregoing provisions shall not be applicable to the Developer or its affiliates or to construction activities conducted by the Developer or such affiliates.

ARTICLE VI
GENERAL RESTRICTIONS ON THE USE OF LOTS
AND IMPROVEMENTS TO BE MADE THEREON

6.1. Applicability. The provisions of this Article VI shall be applicable to all Property, and the Owners thereof, but shall not be applicable to the Developer or property owned by the Developer.

6.2. Zoning Regulations. The Property shall not be used for any purpose other than as permitted in the City of Groveland zoning ordinances or the laws, rules, or regulations of any governmental authority in force and effect on the date of recording of this Declaration as the same may be hereafter amended. No building shall be erected, altered, placed, or permitted to remain on any such Lot other than one used as a single family dwelling. This restriction shall not apply to any use for which a special exception under local government zoning ordinances or other governing regulations, as the same may be hereafter amended, is granted provided such use is approved in writing by the Architectural Committee. The right to further limit or restrict the use of a particular Lot is reserved under the provisions hereof.

6.3. Land Use and Building Type. No Lot shall be used except for residential purposes. No building constructed on a Lot shall be used except for residential purposes. No building shall be erected, altered, placed, or permitted to remain on any Lot other than a one single-family house not to exceed two (2) stories in height. The minimum square footage of any residence shall be one thousand five-hundred (1,500) square feet under roof. Temporary uses by Developer and its affiliates, or by Builder(s), for model homes, sales displays, parking lots, sales offices, and other offices (or any one or combination of such uses) shall be permitted. No changes may be made in buildings erected by the Developer or its affiliates (unless such changes are made by the Developer) without the consent of the Architectural Committee as provided in Article V of this Declaration. No screening of porches or screen doors shall be allowed on the front façade of homes.

6.4. Obnoxious or Offensive Activity. No activity or use shall be allowed upon the Property which: (a) is a source of annoyance, embarrassment, or discomfort to Owners or their tenants or invitees; (b) interferes with the peaceful possession and proper use and enjoyment of the Property; or (c) is improper, unsightly, offensive or an unlawful use of any Lot, Dwelling, or Common Area and all laws and regulations of applicable governmental bodies shall be observed. The Property shall be used, enjoyed and occupied in such manner as to not cause or produce any of the following effects, which are discernible outside any Dwelling: (a) noise or sound that is objectionable because of its volume, duration, beat, frequency or shrillness; (b) smoke or any noxious, toxic or corrosive fumes or gases; (c) obnoxious odors; (d) dust, dirt or fly ash; (e) unusual fire or explosive hazards; (f) vibrations; and (g) any actions which interfere with normal television, radio or other telecommunication reception by other Owners.

6.5. Temporary Structures. No structure of a temporary character including, but not limited to, trailers, tents, mobile homes and recreational vehicles shall be permitted on the Property at any time or used at any time as a residence, either temporarily or permanently.

6.6. Signs. No sign of any kind shall be displayed on any Lot except: (i) only one sign of not more than five (5) square feet advertising the Lot for sale or for rent (in accordance with any design standards approved by the Architectural Committee); and (ii) any sign used by a Builder to advertise the builder's company during the construction and sales period. No sign of any kind shall be permitted to be placed on the outside walls of a residence, any fences on the Property, the Common Areas, dedicated areas (if any), or entry ways within the Property.

6.7. Oil and Mining Operation. No oil drilling, oil development operations, oil refining, quarrying, oil wells, tunnels, mineral excavations or shafts, or mining operations of any kind shall be permitted upon or in the Property or any Lot. No derrick or other structure designed for boring for oil or natural gas shall be erected, maintained, or permitted upon any Lot or any portion of the Property.

6.8. Pets, Livestock and Poultry. No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any Lot, except household pets (in such numbers as the Board may permit) that are not kept, bred, or maintained for any commercial purpose and provided that they do not become a nuisance or annoyance to any neighbor. No dogs or other pets shall be permitted to defecate on any Common Areas, except any areas designated by the Association and Owners shall be responsible to clean up any defecations. In no event shall dogs be permitted upon the Common Areas unless leashed. For purposes hereof, "household pets" shall mean dogs, cats, caged domestic birds, and fish. Any Owner who keeps a pet thereby agrees to indemnify the Association and hold it harmless against any and all fines, penalties, claims, demands, expenses, costs, obligations, and liabilities of any kind or character arising from or relating to the pet. Pets shall also be subject to applicable rules and regulations as determined by the Board of Directors. Notwithstanding anything provided in this subparagraph to the contrary, no pit bull dogs or Rottweiler dogs shall be raised, bred, or kept on any Lot. The term "pit bull" and "Rottweiler" as used herein shall be based upon standards established by either the American Kennel Club or the United Kennel Club. Any pet or animal causing or creating a nuisance or unreasonable disturbance may be permanently removed from the Property upon fourteen (14) days' written notice from the Board of Directors, as allowed by law. If an animal's owner fails to clean up after his or her pet or fails to comply with lease laws or the requirements of this Declaration, Bylaws, or Rules and Regulations of the Association, the animal in question may be permanently removed from the Property upon fourteen (14) days' written notice from the Board of Directors

and charges may be levied against the responsible party as allowed by law. All animals shall be registered and inoculated as required by law.

6.9. Visibility at Intersection. No obstruction to visibility at street intersections or Common Area intersections shall be permitted and visibility clearances shall be maintained as required by law.

6.10. Exterior Appearance and Landscaping. The paint, coating, stain, and other exterior finishing colors and materials on all residential buildings shall be maintained as originally installed without prior approval of the Architectural Committee. Prior approval by the Architectural Committee shall be necessary before any such exterior finishing color or material is changed. The Lot landscaping (except for that portion to be maintained by the Association, if any) including, without limitation, the trees, shrubs, lawns, flower beds, walkways, and ground elevations shall be maintained by the Owner as originally installed unless prior approval for any change, deletion, or addition is obtained from the Architectural Committee. Lot Owners shall be responsible for mowing grass, edging driveways, sidewalks and curb lines, weeding planting areas, sweeping or removing dirt, clippings, and leaves from walkways, drives and roads, and trimming hedges, in order to give the appearance of weekly yard maintenance, especially during peak growing seasons.

6.11. Vehicles. No vehicle may be parked on the Property except on paved streets and paved driveways. No inoperative vehicles shall be allowed to remain on the Property in excess of forty-eight (48) hours unless kept in a garage and not visible from the street or any other Lot. No commercial truck, bus, taxicab, van, trailer, or other commercial vehicle or equipment, and no motor home, house trailer, camper, boat, trailer for boat or other water craft, horse trailer, or other recreational vehicle or other equipment (whether motorized or towed)(collectively the "Prohibited Vehicles") shall be permitted to be parked or stored at any place on the Property for a period longer than four (4) consecutive hours unless parked within an enclosed garage or within an area of the Property expressly designated by the Developer for the placement of such vehicles. This prohibition on parking shall not apply to any vehicles of the Developer or its affiliates, or of any Builder. For purposes of this Section, a commercial vehicle shall include, but is not limited to the following: (a) any vehicle used by a business for the transportation of goods, equipment, materials, or for the transportation of personnel; (b) any vehicle bearing the name of a business or other signage, commercial markings, or advertising (other than the name and logo of the vehicle's manufacturer); (c) any vehicle to which racks, railings, or other devices have been attached for the transportation of materials or equipment (other than the bed of an ordinary pickup truck); (d) any other vehicle not customarily used for personal or family transportation; and (e) any vehicle including permanent attachments to the vehicle which exceeds six (6) feet eight (8) inches feet in height. No vehicles or automobiles shall be permitted to be parked or to be stored on easement areas, buffer areas, or any drainage easement within the Property. No vehicles or automobiles shall be permitted to be parked or to be stored on a road right-of-way within the Property for a period of twelve (12) consecutive hours or it remains in violation for a period of forty-eight (48) nonconsecutive hours in any seven (7) day period and said time frames shall be cumulative for all vehicles associated with a Lot Owner (i.e. different vehicles cannot be rotated in and out of the street). Any vehicle parked in violation of this Article (or the rules and regulations adopted by the Association to implement this Article) may be towed by the Association at the sole expense and risk of the vehicle's owner if such vehicle remains in violation from the time a notice of violation is placed upon it. The Association shall not be liable to the owner of the vehicle for trespass, conversion, damages, or otherwise, by reason of such towing, and neither removal of the vehicle nor failure to provide notice of the violation to the vehicle's owner shall be grounds for relief of any kind. Once the notice is posted, neither its removal, nor failure of the owner to receive it for any other reason, shall be grounds for relief of any kind. An affidavit of the

person posting such notice stating that it was properly posted shall be conclusive evidence of proper posting. Each Lot Owner shall also comply with City ordinances and laws regarding parking, storage, repair or maintenance of vehicles as the same may be in force at such times and from time to time. Each owner who accepts a deed to a Lot acknowledges that any such ordinance or law may be more restrictive than the restrictions contained in this Declaration.

6.12. Garbage and Trash Disposal. No garbage, refuse, trash, or rubbish shall be deposited, dumped, or disposed of within the Property, except as permitted by the Association. The requirements from time to time of the applicable governmental authority for disposal or collection of waste shall be complied with. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition. Containers must be City required containers or rigid plastic, no less than twenty (20) gallons or more than thirty-two (32) gallons in capacity, and well-sealed. Such containers may not be placed out for collection sooner than twenty-four (24) hours prior to scheduled collection and must be removed within twelve (12) hours of collection. No trash container when stored shall be visible from street. In the event that governmental disposal or collection of waste is not provided to individual Lots, garbage, refuse, trash, or rubbish shall be deposited by each Owner in a dumpster designated by the Association and shall be collected by a private entity hired by the Association.

6.13. Fence. No fences on any Lot shall extend toward the front of any Lot beyond a setback of fifteen (15) feet towards the rear of a home from the front corner of the home on the Lot that is nearest the front lot line (fifteen (15) feet back from the front of the house). Fences greater than four (4) feet in height shall be setback twenty-five (25) feet on corner lot sides, subject to City of Groveland permit requirements. The Architectural Committee may adjust the setback at their discretion for the fence due to an abutting house location. No fence or wall shall exceed a height of six (6) feet. The composition, location, and height not specified herein of any other fence or wall to be constructed on any Lot shall be subject to the approval of the Architectural Committee. Fences in the rear yards of Lots abutting retention areas shall be six (6) feet in height and shall be constructed on white vinyl (PVC) in appearance. No stockade or chain link fences shall be permitted on a Lot. All fences shall be white vinyl (PVC) in appearance and six (6) feet in height, unless otherwise required to match the height of an abutting or adjoining wall. No fence connecting to a perimeter wall shall at the intersection with the perimeter wall exceed the height of the perimeter wall. To the extent tapering is necessary to ensure no fence so exceeds the height of a perimeter wall, such tapering shall commence at a standard rate at least eight (8) feet before the intersection of the fence and wall. The Owner of any Lot containing a fence facing a right-of-way shall plant shrubs (such as viburnum) along the fence, between the fence and the right -of-way except where a gate opening is required including but not limited to fence viewed from the front of the home and fencing alongside yards of corner lots. On odd shaped and corner lots, no fence shall be located closer to the right-of-way line than the home, unless approved by the Architectural Committee. No gates shall be allowed to access the landscape common areas. Fences placed along the rear property line shall be uniform in height and color, as set forth herein.

6.14. No Drying. To the extent lawful, no clothing, laundry, or wash shall be aired or dried out of doors on any portion of the Property.

6.15. Unit Air Conditioning, Reflective Materials and Window Treatments. No air conditioning units may be mounted through windows or walls. No building shall have any aluminum foil or other materials (except standard window treatments) placed in any window, glass door, glass, or surface, except such as approved by the Architectural Committee for energy conservation purposes. No stickers, decals, signs, or lights of any kind shall be placed on inside or outside of windows or doors. No temporary or

permanent interior or exterior window treatments (except standard window treatments) shall be allowed such as sheets, cardboard, or newspaper.

6.16. Out Buildings. No out-buildings or sheds of any kind shall be constructed or placed on any Lot.

6.17. Garages. All residences must have two car garages. No carports are permitted. All garage doors must be maintained in operating condition. No garage may be converted to living space without the prior approval of the Architectural Committee. No garage door shall remain open for more than one hour per day. No garage shall be utilized for other than the purpose of parking and storage of vehicles and other types of items normally stored in garages in first-class residential neighborhoods.

6.18. Landscaping. The basic landscaping plan for each house must be submitted to and approved by the Architectural Committee. Sodding and a sprinkler system will be required on all yards, in accordance with the laws and ordinances of the City as the same may be in effect from time to time. Yard shall mean all the land within the property boundaries which is not paved and the land between the property line and the back of curb of the roadway. Meandering sidewalks and street trees shall be placed according to the approved subdivision construction plans. Each house must have shrubs in front, ten (10) feet back on side yards, and in front of all fencing. At least two street trees (such as oak, palm, maple, holy, etc.) must be planted in yard, five (5) feet behind sidewalk, evenly spaced along road. Corner lots shall be required to have two additional street trees located along side yard behind sidewalk. The requirement for street trees may be waived by the Architectural Committee in the event existing trees have been saved as part of the original home construction. All corner and odd shape lots will require a hedge (such as viburnum) from the rear corner of house to the rear lot line and upon maturing of hedge will create a visual barrier to rear yard. Nothing contained in this document shall be interpreted so as to prohibit any Owner from implementing Florida-friendly landscaping, as defined in Section 373.185 of the Florida Statutes, on his or her land or create any requirement or limitation in conflict with any provision of part II of chapter 373 of the Florida Statutes or a water shortage order, other order, consumptive use permit or rule adopted or issues pursuant to part II of Chapter 373 of the Florida Statutes.

6.19. Tree Removal and Landscaping. Except by the Developer, trees measuring six (6) inches or more in diameter at three (3) feet or more above ground level shall not be cut or removed without the prior written consent of the Architectural Committee; provided, however, trees located within six (6) feet of a Dwelling as approved by the Architectural Committee may be removed without prior approval. More restrictive arbor ordinances or environmental laws shall control in the event of conflict herewith. There shall be no removal of trees or Lot clearing, other than clearing of underbrush, until the Architectural Committee has approved in writing a general, conceptual landscape plan that designates those existing trees to be retained and preserved on the Lot. No removal or substantial pruning of any tree located in any Common Area shall occur without the prior written consent of the City. Removal of trees may be subject to municipal codes and, prior to removal of any trees, Owners shall contact the municipality regarding its procedures.

6.20. Swimming Pools. Any swimming pool constructed on any Lot shall be subject to the following restrictions, reservations, and conditions:

(a) On interior Lots, the outside edge of any pool shall be setback from the side and rear Lot lines distances at least equal to the setbacks required for the residence on that Lot either by this

Declaration or by applicable zoning restrictions, whichever setback distance is greater. Corner Lots will be reviewed by the Architectural Committee on an individual basis;

(b) Pool screening may not be higher than sixteen (16) feet or the higher edge of the roof, whichever is lower;

(c) No overhead electrical wires shall cross the pool. All pool lights other than underwater lights must be four (4) feet from the edge of the pool; and

(d) The pool itself must be enclosed with a fence not less than five (5) feet in height. The entrance gate to the backyard, or to the pool, is to be constructed with a self-closing latch placed at least forty (40) inches above the ground. The fence of a neighbor, where sufficient to meet above standards, may be utilized to secure a pool.

6.21. Antennas and Dishes. No exterior antennas, aerials, satellite dishes, or other apparatus greater than one (1) meter in diameter for the transmission of television, radio, satellite, or other signals shall be placed, allowed, or maintained upon any portion of a Lot. The placement and location of antennas, aerials, satellite dishes, or other apparatus that are less than or equal to one (1) meter in diameter shall be subject to reasonable restrictions of the Architectural Committee and, when feasible, shall be placed out of view from roadway. No short wave operations of any kind shall operate from any Lot.

6.22. Water Supply System. No individual water supply system shall be permitted on any Lot without the approval of the Architectural Committee. The above does not restrict the right of any Owner to install, operate, and maintain a water well on the premises for use restricted to swimming pool and/or irrigation purposes.

6.23. Air Conditioning Units, Gas Storage Tanks and Other Exterior Equipment. No gas storage tank or air conditioning units, either central or wall type, shall be placed on the front of any dwelling, side yard of a corner lot or otherwise placed or located so as to be visible from any public street. All oil tanks, soft water tanks, wood piles, water softeners, well pumps, sprinkler pumps, pool and spa equipment and heaters, and other or similar mechanical fixtures and equipment, shall not be placed on the front of any dwelling, side yard of a corner lot or otherwise placed or located so as to be visible from any public street. All above mentioned equipment shall be screened by mature bushes and shrubbery or some other permanent type of screening material, to be approved by the Architectural Committee. Failure to maintain such screening may result in Association action.

6.24. Increase in Insurance Rates. No Owner may take any action which will result in an increase in the rate of any insurance policy or policies covering any portion of the Common Areas.

6.25. Casualties. In the event that improvements on a Lot, in whole or in part, are destroyed by casualty or otherwise or any improvements upon the Common Areas are damaged or destroyed by casualty or otherwise, the Owner thereof or the Association shall promptly clear all debris resulting therefrom and (subject to the duties and obligations of the Association as set forth herein) commence either to rebuild or repair the damaged improvements in accordance with the terms and provisions of this Declaration.

6.26. Yard Accessories and Play Structures. All yard accessories and play structures, including basketball backboards, tree houses, and any other fixed games, shall be located in the rear yard of the home

(behind back wall of the home), except that, in the case of homes on corner Lots, such accessories and structures shall be restricted to the side yard furthest from the side street and to that portion of the rear yard which is no closer to the side street than a fence would be permitted. All yard accessories and play structures on all Lots (including side yard views on corner Lots) shall be obstructed from view at the street by either the home, a six (6) foot fence, or a planted hedge that is capable of growing to six (6) feet in height within two (2) years (such as a viburnum). Basketball structures (either permanently mounted to a Dwelling above the garage or mounted to a permanent pole) will not be allowed in front of the rear wall of the home. No portable basketball poles and backboards will be allowed in front of the rear wall of the home.

6.27. Developer Reservation. Any provision of this Declaration to the contrary notwithstanding, until Developer has completed all of the contemplated improvements and closed the sales of all of the Lots, neither the Owners nor the Association shall interfere with the completion of Developer's planned improvements and the sale of the Lots. Developer may make such lawful use of the unsold Lots and the Common Property, without charge, as may facilitate such completion and sale, including, but not limited to, maintenance of sales and construction trailers and offices, the showing of the Lots, the display of sign, and the use of Lots for vehicular parking. Without limiting the generality of the foregoing (except only when the express provisions of this Declaration prohibit the Developer from taking a particular action) nothing in this Declaration shall be understood or construed to prevent or prohibit Developer from any of the following:

(a) Doing on any property owned by it whatever it determines to be necessary or advisable in connection with the completion of the development of the Property, including without limitation, the alteration of its construction plans and designs as Developer deems advisable in the course of development (all models or sketches showing plans for future development of the Property, as same may be expanded, may be modified by the Developer at any time and from time to time, without notice);

(b) Erecting, constructing and maintaining on any property owned or controlled by Developer such structures as may be reasonably necessary for the conduct of its business of completing said development and establishing the Property as a community and disposing of the same by sale, lease or otherwise;

(c) Conducting on any property owned or controlled by Developer, its business of developing, subdividing, grading and constructing improvements in the Property and of disposing of Lots by sale, lease or otherwise;

(d) Determining in its sole discretion the nature of any type of improvements to be initially constructed as part of the Property;

(e) Maintaining such sign or signs on any property owned or controlled by Developer as may be necessary or desired in connection with the operation of any Lots owned by Developer or the sale, lease, marketing or operation of Lots;

(f) Filing Supplemental Declarations which modify or amend this Declaration, which add or withdraw Additional Property as provided in this Declaration, or otherwise limit or impair the Developer from effecting any action which may be required of Developer by the City, County, or any other federal, state or local governmental or quasi-governmental agency in connection with the development and continuing operation of the Property;

(g) Modifying, changing, re-configuring, removing or otherwise altering any improvements located on the Common Property or utilizing all or portions of the Common Property for construction access or staging (provided that same does not impair existing access or utility services to the Lots); or

(h) Causing utilities to be available to all portions of the Property, including, but not limited, to the granting of easements and rights of way as may be necessary to locate, install and maintain facilities and connections.

6.28. Mailboxes. Community mailboxes may be provided by the U.S. Post Office and individual mailboxes on each Lot shall be prohibited while community mailboxes are utilized by the U.S. Post Office, unless approved by the Architectural Committee due to the physical condition of a home owner. If community mailboxes are not provided, each Owner shall install a U.S. Postal Service approved mailbox meeting the requirements of this section. A gloss black aluminum ribbed mailbox shall be center mounted on a gloss black three (3) inch diameter aluminum post with grooving (not a smooth post) and base plate with no angle brackets to the post. Except for identifying numbers and letters the mailbox and post shall be solid gloss black with no other decorative features. The intent is for all mailboxes, posts, and letters to be very similar throughout the property.

6.29. Ramps. No skateboard or bicycle ramp or similar structure shall be permanently installed or maintained overnight on any portion of any Lot located forward of the rear wall of the Dwelling or adjacent to any side street.

6.30. Yard and House Ornaments. No lawn ornaments of any kind shall be displayed as can be viewed from the street, unless approved by Architectural Committee, including but not limited to the following: (a) pink flamingoes or similar displays; (b) landscape boulders; (c) white rocks (tan rocks are approved for mulch material under hedges); (d) driveway lighting; (e) stepping stones; (f) bird baths; (g) water fountains; (h) wall decorations, including family names; (i) wall planters; and (j) swings. Holiday or religious decorations can be displayed in such a manner and for a duration as not to be a nuisance as determined by the Architectural Committee. In no event shall holiday or religious decorations be displayed for more than ninety (90) days in any given year.

6.31. Solar Collectors. Solar collectors shall not be permitted without the prior written consent of the Architectural Committee. Any approval of the Architectural Committee shall require that the solar collectors be so located on the Lot that they are not visible from any street and that their visibility from surrounding Lots is restricted as much as practical.

6.32. Reconstruction. Any repair, rebuilding, or reconstruction on account of casualty or other damage to any Common Areas or any part or parts thereof shall be in accordance with the plans and specifications for such property and areas as originally constructed or with new plans and specifications approved by the Architectural Committee. Any repair, rebuilding, or reconstruction on account of casualty or other damage to any improvements or any part or parts thereof shall be in accordance with the plans and specifications for such property and areas as originally constructed or the new plans and specifications approved by the Architectural Committee, including but not limited to house design, construction materials, paint color schemes, shingle style and colors.

6.33. Tract "A" and Tract "B" Restrictions. Tract "A" and Tract "B", both retention tracts, as shown on the Plat, shall be conveyed to and maintained by the Association and Tract "A" and Tract "B" shall be subject to drainage easements in favor of the City of Groveland, over the entire tracts.

6.34. Tract "C" and Tract "D" Restrictions. Tract "C" and Tract "D", both park tracts, as shown on the Plat, shall be conveyed to and maintained by the Association.

6.35. Tract "E" Restrictions. Tract "E", as shown on the Plat, is future public right-of-way to be dedicated/conveyed to Lake County by separate instrument.

6.36. Tract "G", Tract "J" and Tract "K" Restrictions. Tract "G", Tract "J", and Tract "K", all conservation tracts, as shown on the Plat, shall be conveyed to and maintained by the Association and Tract "G", Tract "J", and Tract "K" shall be subject to conservation easements over said tracts dedicated to St. Johns River Water Management District.

6.37. Tract "H" Restrictions. Tract "H", an upland buffer tract, as shown on the Plat, shall be conveyed to and maintained by the Association and Tract "H" shall be subject to a conservation easement over said tract dedicated to St. Johns River Water Management District.

6.38. Tract "L" and Tract "M" Restrictions. Tract "L" and Tract "M", both landscape and wall tracts as shown on the Plat, shall be owned and maintained by the Association.

6.39. Tract "N" Restrictions. Tract "N", a landscape/utility tract, as shown on the Plat, shall be conveyed to and maintained by the Association and shall be subject to a utility easement over the entire tract in favor of the City of Groveland.

6.40. Tract "I" Restrictions. Tract "I", an access/utility/drainage tract, as shown on the Plat, shall be dedicated to the City of Groveland.

ARTICLE VI **ENFORCEMENT**

7.1. Compliance by Owners. Every Owner shall comply with the easements, restrictions, conditions, and covenants set forth herein and any and all rules and regulations which from time to time may be adopted by the Board of Directors.

7.2. Enforcement. Failure of an Owner to comply with the easements, restrictions, and covenants set forth herein and any and all rules and regulations which may be adopted by the Board of Directors shall be grounds for immediate action which may include, without limitation, any proceeding at law or in equity against any person or persons violating or attempting to violate any covenants or restriction, either to restrain violation or to recover damages, and against the Lots to enforce any lien created by these covenants. The Owner shall be responsible for all costs of enforcement of the provisions of this Declaration, including reasonable attorneys' fees actually incurred and court costs. Failure by the Association to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. In addition to all remedies expressly provided in this Declaration, the Developer and the Association shall have the right to enforce this Declaration by all remedies (including without implied limitation the imposition of fines and penalties) that may be permitted in Section 720.305 of the Florida

Statutes and this Declaration shall be deemed to include all procedures and conditions prescribed by those statutes for the exercise of the statutory remedies.

7.3. Enforcement by the St. Johns River Water Management District. The St. Johns 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 stormwater management system.

7.4. Remedies. In addition to all other remedies set forth in this Declaration, the Bylaws, the Articles, and as permitted by applicable law, the Board of Directors may, in the sole discretion, take the following actions against an Owner for failure of an Owner or his or her family, guests, invitees, or employees, to comply with any easements, restrictions, conditions, and/or covenants set forth herein and any and all rules and regulations which may be adopted by the Board of Directors, including but not limited to:

(a) Impose Fines. The Association may levy reasonable fines of up to \$100 per violation against any Member or any Member's tenant, guest, or invitee for the failure of the Owner of the parcel or its occupant, licensee, or invitee to comply with any provision of this Declaration, the Association's Bylaws, or reasonable rules of the Association. A fine may be levied for each day of a continuing violation, with a single notice and opportunity for hearing, except that the fine may not exceed \$10,000. Fines may be treated as an Assessment for purposes of collection; however a fine of less than \$1,000 may not become a lien against a parcel. In any action to recover a fine, the prevailing party is entitled to reasonable attorney's fees and costs from the nonprevailing party as determined by the court;

(b) Suspend Use Rights. The Association may suspend, for a reasonable period of time, the right of a member, or a member's tenant, guest, or invitee, to use common areas and facilities for the failure of the Owner of the parcel or its occupant, licensee, or invitee to comply with any provision of the Declaration, the Association's Bylaws, or reasonable rules of the Association. If a Member is more than ninety (90) days delinquent in paying a monetary obligation due to the Association, the Association may suspend the rights of the Member, or the Member's tenant, guest, or invitee to use common areas and facilities until the monetary obligation is paid in full. Suspension of use rights must be approved at a properly noticed board meeting and, upon approval, the Association must notify the parcel Owner and, if applicable, the parcel's occupant, licensee, or invitee by mail or hand delivery;

(c) Suspend Voting Rights. The Association may suspend the voting rights of a parcel or member for the nonpayment of any monetary obligation due to the Association that is more than ninety (90) days delinquent. A voting interest or consent right allocated to a parcel or member which has been suspended by the Association may not be counted towards the total number of voting interest for any purpose, including but not limited to the number of voting interest necessary to constitute a quorum, the number of voting interest required to conduct an election, or the number of voting interests required to approve an action under this chapter or pursuant to the governing documents. This suspension ends upon full payment of all obligations currently due or overdue to the Association. Suspension of Voting rights must be approved at a properly noticed board meeting and, upon approval, the Association must notify the parcel Owner and, if applicable, the parcel's occupant, licensee, or invitee by mail or hand delivery; and

(d) Lawsuits and Liens. The Association may seek to collect any fines or other amounts due and/or file any proceeding at law or in equity against any person or persons violating or

attempting to violate any covenants or restriction, either to restrain violation or to recover damages, and against the Lots to enforce any lien created by these covenants. The Owner shall be responsible for all costs of enforcement of the provisions of this Declaration, including reasonable attorneys' fees actually incurred and court costs.

7.5. Notice Procedure for Fine or Suspension. A fine or suspension may not be imposed without at least fourteen (14) days' notice to the person sought to be fined or suspended and an opportunity for a hearing before a committee of at least three members appointed by the board who are not officers, directors, or employees of the association, or the spouse, parent, child, brother, or sister of an officer, director, or employee. If the committee, by majority vote, does not approve a proposed fine or suspension, it may not be imposed. If the Association imposes a fine or suspension, the association must provide written notice of such fine or suspension by mail or hand delivery to the parcel owner and, if applicable, to any tenant, licensee, or invitee of the parcel owner.

7.6. Application of Penalties. All monies received from fines shall be allocated as directed by the Board of Directors subject to the provisions of this Declaration.

7.7. Non-Exclusive Remedy. Fines shall not be construed to be the exclusive remedy and shall exist in addition to all other rights and remedies to which the Association may be otherwise legally entitled; provided, however, any penalty paid by the offending Owner shall be deducted from or offset against any damages which the Association may otherwise be entitled to recover by law from such Owner.

7.8. Applicable Law. To the extent applicable law regulates the imposition of fines by the Association, notwithstanding the procedures, restrictions, and other details prescribed above, the Association's right to impose fines shall conform to, and this provision shall be deemed amended to conform to, applicable law; and the Association's right to impose fines shall be coextensive with the maximum right permitted by the law.

ARTICLE VIII **INSURANCE**

8.1. Coverage. The Association shall maintain insurance covering the following:

(a) Casualty. All improvements located on the Common Areas, together with any and all fixtures, building service equipment, personal property, and supplies constituting the Common Areas or owned by the Association (collectively the "Insured Property"), which shall be insured in an amount not less than one hundred percent (100%) of the full insurable replacement value thereof, excluding foundation and excavation costs. Such policies may contain reasonable deductible provisions as determined by the Board of Directors of the Association. Such coverage shall afford protection against: (i) loss or damage by fire and other hazards covered by a standard extended coverage endorsement; and (ii) such other risks that are customarily covered with respect to buildings and improvements similar to the Insured Property in construction, location and use, including, but not limited to, vandalism, malicious mischief, and those covered by the standard "all risk" endorsement. Every casualty policy obtained by the Association shall have the following endorsements: (i) agreed amount and inflation guard; (ii) steam boiler coverage (providing at least \$50,000.00 coverage for each accident at each location), if applicable; and (iii) an appropriate endorsement covering the costs of changes to undamaged portions of the improvements (even

when only a portion thereof is damaged by an insured hazard) if any applicable construction code requires such changes;

(b) Liability. Comprehensive general public liability and automobile liability insurance covering injury, loss, or damage resulting from accidents or occurrences on or about or in connection with the Insured Property or adjoining driveways and walkways, or any work, matters or things related to the Insured Property (including, but not limited to, liability arising from lawsuits related to employment contracts to which the Association is a party), with such additional coverage as shall be required by the Board of Directors of the Association, but with a combined single limit liability of not less than \$1,000,000.00 for each accident or occurrence, \$100,000.00 per person, and \$50,000.00 property damage, and with a cross liability endorsement to cover liabilities of the Owners as a group to any Owner, and vice versa;

(c) Flood Insurance. Flood insurance covering the Insured Property shall be maintained by the Association if the Development is in a special flood hazard area or if the Association so elects. The amount of flood insurance shall be the lesser of: (i) one hundred percent (100%) of the current replacement cost of the Insured Property; or (ii) the maximum coverage available for the Insured Property under the National Flood Insurance Program;

(d) Fidelity Insurance or Bonds. Fidelity insurance or bonds naming the Association as obligee and covering all directors, officers, and employees of the Association shall be maintained by the Association in amount which is the greater of \$10,000.00 or the maximum amount of funds that will be in custody of the Association at any time while the bond is in force; notwithstanding the foregoing sentence, however, such fidelity insurance or bond shall not be for an amount less than the sum of three (3) months assessments on all Lots, plus the Association's reserve funds for each person so insured or bonded;

(e) Other Insurance. The Association may also maintain worker's compensation insurance, windstorm insurance, or such other insurance as the Board of Directors may determine necessary, including, but not limited to, officers' and directors' liability insurance; and

(f) Cancellation. All policies of insurance and fidelity bonds shall provide that such policies and bonds may not be canceled or substantially modified without at least thirty (30) days prior written notice to all of the named insureds.

8.2. Premiums. Premiums upon insurance policies purchased by the Association shall be paid by the Association as a common expense, except that any increase in the premium occasioned by misuse, occupancy, or abandonment by Owners or any other action or omission of particular Owners shall be assessed against and paid by such Owners. Premiums may be financed in such manner as the Board of Directors deems appropriate.

ARTICLE IX **NOTICES**

9.1. Notices to Member or Owner. In addition to such other manners for providing notice as are permitted or prescribed in this Declaration, the Bylaws, or the Articles of Incorporation, any notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have been sent when personally delivered or mailed, postage-paid, to the last known address of the person who appears as Member or Owner on the records of the Association at the time of such mailing. As an

alternative to notice by mail, if a Member or Owner consents in writing, notice may be electronically transmitted to the Member or Owner.

ARTICLE X **STANDARD DEVELOPMENT AND ANNEXATION**

10.1 Other Annexation of Property. Land may be annexed to the Property with the consent of two-thirds (2/3) of the Members and with the approval of the Federal Housing Administration and the Veterans Administration as long as there is a Class B Membership. Such annexation shall become effective upon the recording of an amendment to this Declaration evidencing the annexation in the Public Records of the County.

10.2 Platting. As long as there is a Class B Membership, the Developer shall be entitled, at any time, to plat and/or replat all or any part of the Property and to file subdivision restrictions and/or amendments thereto with respect to any undeveloped portion or portions of the Property or Development without the consent or approval of an Owner.

10.3 Amendment. Prior to Turnover, the provisions of this Article X cannot be amended without the written consent of the Developer and any amendment of this Article X without the written consent of the Developer shall be deemed null and void.

ARTICLE XI **GENERAL PROVISIONS**

11.1. Duration. The easements, conditions, covenants, and restrictions of this Declaration shall run with and bind the Property and shall inure to the benefit of and be enforceable by the Developer, the Association, the Architectural Committee, and the Owners of any land subject to this Declaration and their respective legal representatives, heirs, successors, and assigns for a term of ninety-nine (99) years from the date this Declaration is recorded. After which time said easements, conditions, covenants, and restrictions of this Declaration shall be automatically extended for successive periods of ten (10) years each unless an instrument to revoke this Declaration, which has been signed by the then Owners of seventy-five percent (75%) of all the Lots has been recorded. Provided however, that no such agreement to revoke shall be effective unless made and recorded three (3) years in advance of the effective date of such revocation and unless written notice of the proposed agreement is sent to every Owner at least ninety (90) days in advance of any action taken.

11.2. Severability. Invalidation of any one of these covenants or restrictions or any part, clause, or word hereof, or the application thereof in specific circumstances, by judgment or court order shall not affect any other provisions of applications in other circumstances, all of which shall remain in full force and effect.

11.3. Amendment.

(a) Amendments Prior to the Turnover Date. Prior to the Turnover Date, Developer shall have the right to amend these this Declaration as it deems appropriate, without the joinder or consent of any person or entity whatsoever; provided, however, Developer shall make no such amendment that denies another Owner or an Institutional Lender any rights previously expressly granted hereby to that Owner of

Institutional Lender. Furthermore, prior to Turnover, the Developer reserves the right to amend this Declaration at any time, without prior notice and without the consent of any person or entity, for the purpose of removing certain portions of the Property then owned by the Developer or its affiliates from the provisions of this Declaration to the extent included originally in error or as a result of reasonable changes in the plans for the Property desired to be effected by the Developer. Prior to Turnover, the Developer specifically reserves the right to amend this Declaration in order to comply with the requirements of the Federal Housing Authority, Veteran's Administration, Federal National Mortgage Association, Federal Home Loan Mortgage Corporation or the City of Groveland. In the event that the Association desires to amend this Declaration prior to the Turnover Date, the Association must first obtain Developer's prior written consent to any proposed amendment.

(b) Amendments From and After the Turnover Date. After the Turnover Date, this Declaration may be amended with the approval of: (i) sixty-six and two-thirds percent (66 2/3%) of the Board; and (ii) seventy-five percent (75%) of the votes present (in person or by proxy) at a duly called meeting of the members in which there is a quorum. A quorum for any meeting of the members for the purpose of adopting amendments after the Turnover Date shall be established by the presence, in person or by proxy, of the members entitled to cast thirty percent (30%) of the voting interests.

(c) Any amendment to this Declaration or the covenants and restrictions herein, which alter any provision relating to the surface water or stormwater management system (beyond maintenance in its original condition), including mitigation or preservation areas and the the water management portion of the Common Areas, must have the prior approval of the St. Johns River Water Management District.

(d) Any amendment to this Declaration or the covenants and restrictions herein, which alter any provision relating to termination or duration of Declarations, rights to City of Groveland as provided in 3.4, and utility easements as provided in 3.5 require the consent of the City of Groveland. Sec. 145-48(e).

11.4. Effective Date. This Declaration shall become effective on the date it is recorded in the Public Records of Lake County, Florida.

11.5. Conflicts. This Declaration shall take precedence over conflicting provisions in the Articles of Incorporation and Bylaws of the Association. The Articles of Incorporation shall take precedence over the Bylaws in the event of conflicting provisions therein.

11.6. Standards for Consent, Approval, Completion, Other Action and Interpretation. Unless otherwise provided herein, whenever this Declaration shall require the consent, approval, completion, substantial completion, or other action by the Developer or its affiliates, the Association or the Architectural Committee, such consent, approval or action may be withheld in the sole and unfettered discretion of the party requested to give such consent or approval or take such action, and all matters required to be completed or substantially completed when such matters have been completed or substantially completed in the reasonable opinion of the Developer or Association, as appropriate. This Declaration shall be interpreted by the Board of Directors and an opinion of counsel to the Association rendered in good faith, provided that the particular interpretation is not unreasonable, shall establish the validity of such interpretation.

11.7. Easements. Should the intended creation of any easement provided for in this Declaration fail by reason of the fact that at the time of creation there may be no grantee in being having the capacity to take and hold such easement, then any such grant of easement deemed not to have been so created shall nevertheless be considered as having been granted directly to the Association as agent for such intended grantee for the purpose of allowing the original party or parties to whom the easements were originally intended to have been granted the benefit of such easement and the Owners designate hereby the Developer and the Association (or either of them as their lawful attorney-in-fact) to execute any instrument on such Owners' behalf as may hereafter be required or deemed necessary for the purpose of later creating such easement as it was intended to have been created herein. Formal language of grant or reservation with respect to such easements, as appropriate, is hereby incorporated in the easement provisions hereof to the extent not so recited in some or all of such provisions.

11.8. Consumer Price Index. Whenever specific dollar amounts are mentioned in this Declaration (or in the Articles of Incorporation, Bylaws, or rules and regulations of the Association), unless limited or prohibited by law, such amounts may be increased from time to time by application of a nationally recognized consumer price index chosen by the Board of Directors using the date this Declaration is recorded in the Public Records of Lake County, Florida as the base year. In the event no such consumer price index is available, the Board of Directors shall choose a reasonable alternative to compute such increases.

11.9. Covenants Running With the Land. Anything to the contrary herein notwithstanding, it is the intention of all parties affected hereby (and their respective heirs, personal representatives, successors and assigns) that these covenants and restrictions shall run with the land and with title to the Property. If any provision or application of this Declaration would prevent this Declaration from running with the land as aforesaid, such provision and/or application shall be judicially modified, if at all possible, to come as close as possible to the intent of such provision or application and then be enforced in a manner which will allow these covenants and restrictions to so run with the land; but if such provision and/or application cannot be so modified, such provision and/or application shall be unenforceable and considered null and void in order that the paramount goal of the parties affected hereby (that these covenants and restrictions run with the land as aforesaid) be achieved.

11.10. Management Contract. At such time as it sees fit, the Association is hereby authorized to enter into an agreement with a management company (which may be an affiliate of the Developer) to provide for the management and maintenance of the Property, in which case each Owner shall be assessed for his Lot's share of the management fees, in accordance with the assessment provisions contained in this Declaration.

11.11. Termination. Termination of the Association shall be according to the provisions of the Articles of Incorporation.

11.12. Condemnation. Whenever all or a part of the Common Areas shall be taken (or conveyed in lieu of and under threat of condemnation by the Board acting on its behalf or on the written direction of all Owners subject to the taking, if any) by any authority having the power of condemnation or eminent domain, each Owner shall be entitled to notice thereof and to participate in the proceedings incident thereto unless otherwise prohibited by law.

EXECUTED as of the date first above written.

Signed, sealed and delivered
in the presence of:

R & J GROVELAND, LLC,
a Florida limited liability company

Name: _____

By: _____
Rohland A. June II
Manager

Name: _____

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, this ____ day of _____ 2015, by Rohland A. June II, as Manager of R & J GROVELAND, LLC, a Florida limited liability company, executing the foregoing instrument on behalf of the corporation, freely and voluntarily and for the purposes stated herein. He is (a) personally known to me or (b) ___ produced _____ as identification.

WITNESS my hand and official seal in the County and State aforesaid this ____ day of _____, 2015.

Print Name:
Notary Public, State of Florida
My Commission Expires:

JOINDER AND CONSENT OF MORTGAGEE

UNITED LEGACY BANK, a division of NATIONAL BANK OF COMMERCE, being the owner and holder of that certain mortgage recorded _____, 2015, in Official Records Book _____, beginning at Page _____, of the Public Records of Lake County, Florida, encumbering the parcel of real property described in the foregoing Declaration of Easements, Covenants, Conditions and Restrictions for Lake Douglas Preserve Residential Subdivision, hereby consents to and joins in the filing of this Declaration of Easements, Covenants, Conditions and Restrictions for Lake Douglas Preserve Residential Subdivision.

Signed, sealed and delivered
in the presence of:

Name: _____

Name: _____

By:
Print Name: _____
As its: _____

Attest:
Name: _____
Title: _____

Address: _____

(CORPORATE SEAL)

STATE OF FLORIDA
COUNTY OF

BEFORE ME, the undersigned authority personally appeared _____, and _____, personally known to me and known to be to be respectively the _____ and _____ and they duly acknowledged to and before me, under oath, that they executed the within instrument as such officers of such Corporation for the uses and purposes therein expressed pursuant to lawful authority given to them and that they know the seal of said Corporation is affixed to the within instrument by like authority.

WITNESS my hand and official seal in the County and State last aforesaid this _____ day of _____, 2015.

Print Name:
Notary Public, State of Florida
My Commission Expires:

JOINDER AND CONSENT TO DECLARATION

The undersigned, on behalf of Maronda Homes, Inc., of Florida, a Florida corporation, (the "Owner"), hereby consents to and joins in this Declaration of Easements, Covenants, Conditions, and Restrictions for Lake Douglas Preserve Residential Subdivision (the "Declaration"). The Owner is part owner of the Property described in and made subject to the Declaration (the "Property"). Owner is executing this Joinder to acknowledge that the Declaration is fully binding on Owner and on Owner's interest in the Property.

NOW THEREFORE, Owner hereby joins in and consents to the Declaration and acknowledges that Owner's interest in the Property is subject to the terms of the Declaration.

Date: _____, 2015

MARONDA HOMES, INC., OF FLORIDA

By: _____
Print Name: _____
As its: _____

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me this ___ day of _____, 2015, by _____, as _____ of Maronda Homes, Inc., of Florida, a Florida corporation, on behalf of the corporation. He or she is (a)___ personally known to me or (b)___ has produced as identification and **did/did not** take an oath.

NOTARY PUBLIC

Signature: _____
Print Name:
State of Florida at Large
MY COMMISSION EXPIRES:

EXHIBIT "A"

LEGAL DESCRIPTION OF THE PROPERTY

That part of Tract 39 lying South of Highway 50, Section 21, Township 22 South, Range 25 East, according to the plat of Groveland Farms, recorded in Plat Book 2, Pages 10 and 11, Public Records of Lake County, Florida.

Commence at the West line of Tract 39 and the South right of way line of State Road 50, per Florida D.O.T. right of way map section no. 11070-2504; thence run South 00 degrees 18 minutes 48 seconds West, along the West line of Tract 39, 20.00 feet to the Point of Beginning; thence run South 89 degrees 57 minutes 52 seconds East, 99.47 feet to a non-tangent curve concave to the Southwest; thence run Southeasterly along said curve having a central angle of 11 degrees 48 minutes 53 seconds, a radius of 25.00 feet, an arc length of 5.16 feet, a chord bearing of South 05 degrees 35 minutes 39 seconds East, and a chord distance of 5.15 feet; thence run South 00 degrees 18 minutes 48 seconds West, 335.87 feet to a curve concave to the Northeast; thence run Southeasterly along said curve having a central angle of 68 degrees 13 minutes 51 seconds, a radius of 75.00 feet, an arc length of 89.31 feet, a chord bearing of South 33 degrees 48 minutes 08 seconds East and a chord distance of 84.13 feet; thence run South 22 degrees 04 minutes 57 seconds West, 105.00 feet to a non-tangent curve concave to the Northeast; thence run Northwesterly along said curve having a central angle of 38 degrees 02 minutes 37 seconds, a radius of 180.00 feet, an arc length of 119.52 feet, a chord bearing of North 48 degrees 53 minutes 45 seconds West and a chord distance of 117.33 feet; thence run North 60 degrees 07 minutes 34 seconds East, 5.00 feet to a non-tangent curve concave to the Northeast; thence run Northwesterly along said curve having a central angle of 30 degrees 11 minutes 14 seconds, a radius of 175.00 feet, an arc length of 92.20 feet, a chord bearing of North 14 degrees 46 minutes 49 seconds West and a chord distance of 91.14 feet; thence run North 00 degrees 18 minutes 48 seconds East, 340.50 feet to the Point of Beginning.

EXHIBIT “B”

ARTICLES OF INCORPORATION

[See attached]

ARTICLES OF INCORPORATION
OF
LAKE DOUGLAS PRESERVE HOMEOWNERS' ASSOCIATION, INC.,
a Florida Corporation, Not-For-Profit

ARTICLE 1
NAME

1. Name. The name of the corporation is: LAKE DOUGLAS PRESERVE HOMEOWNERS' ASSOCIATION, INC. (hereinafter referred to as the "ASSOCIATION").

ARTICLE 2
DEFINITIONS

2. Definitions. Unless defined in these Articles or the Bylaws all terms used in the Articles and the Bylaws shall have the same meanings as used in the DECLARATION OF EASEMENTS, COVENANTS, CONDITIONS, AND RESTRICTIONS FOR LAKE DOUGLAS PRESERVE RESIDENTIAL SUBDIVISION (the "DECLARATION").

ARTICLE 3
PURPOSE

3. Purpose. The purposes for which the ASSOCIATION is organized are as follows:

3.1 To operate as a corporation not-for-profit pursuant to Chapter 617 of the Florida Statutes.

3.2 To administer, enforce and carry out the terms and provisions of the Declaration as same may be amended or supplemented from time to time.

3.3 To administer, enforce and carry out the terms and provisions of any other Declaration of Covenants and Restrictions or similar document, submitting property to the jurisdiction of or assigning responsibilities, rights or duties to the ASSOCIATION and accepted by the Board of Directors of the ASSOCIATION (the "BOARD").

3.4 To promote the health, safety, comfort and social and economic welfare of the MEMBERS of the ASSOCIATION and the OWNERS and Residents of Lots in LAKE DOUGLAS PRESERVE, as authorized by the Declaration, by these Articles, and by the Bylaws.

3.5 To operate, maintain and manage the surface water or stormwater management system(s) in a manner consistent with the St. Johns River Water Management District permit no. 40-095-65694-5 pursuant to requirements and applicable St. Johns River Water Management District rules, and to assist in the enforcement of the Declaration as it relates to the surface water or stormwater management system.

ARTICLE 4
POWERS

4. Powers. The ASSOCIATION shall have the following powers:

4.1 All of the common law and statutory powers of a not-for-profit corporation under the laws of Florida which are not in conflict with the terms of these Articles.

4.2 To enter into, make, establish and enforce rules, regulations, Bylaws, covenants, restrictions and agreements to carry out the purposes of the ASSOCIATION.

4.3 To make and collect Assessments for Common Expenses from OWNERS to defray the costs, expenses, reserves and losses incurred or to be incurred by the ASSOCIATION and to use the proceeds thereof in the exercise of the ASSOCIATION'S powers and duties. The Association shall levy and collect adequate Assessments against MEMBERS of the ASSOCIATION for the costs of maintenance and operation of the surface water or stormwater management system.

4.4 To own, purchase, sell, mortgage, lease, administer, manage, operate, maintain, improve, repair and/or replace real and personal property.

4.5 To hold funds for the exclusive benefit of the MEMBERS of the ASSOCIATION as set forth in these Articles and as provided in the Declaration and the Bylaws.

4.6 To purchase insurance for the protection of the ASSOCIATION, its officers, directors and MEMBERS, and such other parties as the ASSOCIATION may determine to be in the best interests of the ASSOCIATION.

4.7 To operate, maintain, repair, and improve all Common Areas and such other portions of LAKE DOUGLAS PRESERVE as may be determined by the BOARD from time to time.

4.8 To honor and perform under all contracts and agreements entered between third parties and the ASSOCIATION or third parties and the DEVELOPER which are assigned to the ASSOCIATION.

4.9 To exercise architectural control, either directly or through appointed committees, over all buildings, structures and improvements to be placed or constructed upon any portion of LAKE DOUGLAS PRESERVE. Such control shall be exercised pursuant to the Declaration.

4.10 To provide for private security, fire safety and protection, and similar functions and services within LAKE DOUGLAS PRESERVE as the BOARD in its discretion determines necessary or appropriate.

4.11 To provide, purchase, acquire, replace, improve, maintain and/or repair such buildings, structures, streets (to the extent not maintained by the City of Groveland), pathways, and other structures, landscaping, paving and equipment, both real and personal, related to the health, safety and social

welfare of the MEMBERS of the ASSOCIATION and the OWNERS and Residents of LAKE DOUGLAS PRESERVE as the BOARD in its discretion determines necessary or appropriate.

4.12 To employ personnel necessary to perform the obligations, services and duties required of or to be performed by the ASSOCIATION and/or to contract with others for the performance of such obligations, services and/or duties and to pay the cost thereof in accordance with whatever contractual arrangement the BOARD shall enter.

ARTICLE 5 MEMBERS

5.1 Membership. Except as is set forth in this Article 5, every Person who is a record titleholder of a fee or undivided fee interest in any Lot which is subject by covenants of record to assessment by the ASSOCIATION shall be a MEMBER of the ASSOCIATION, provided that any such Person which holds such interest merely as a security for the performance of any obligation shall not be a MEMBER. A builder or developer who in its normal course of business purchases a Lot for the purpose of constructing an Improvement thereon for resale shall not become a MEMBER of the ASSOCIATION so long as such builder or developer does not occupy the Improvement as a residence. Only: (a) those Persons who purchase a Lot to have a residence built for them; (b) those Persons who purchase a Lot and the Improvements thereon during or after completion of construction; and (c) the DEVELOPER shall be MEMBERS. Notwithstanding the previous sentence, if a builder does occupy an Improvement as his primary personal residence and so notifies the ASSOCIATION in writing, thereafter such builder shall be considered a MEMBER of the ASSOCIATION. The DEVELOPER shall retain the rights of membership including, but not limited to, the Voting Rights to all Lots owned by Persons not entitled to Membership as herein defined.

5.2 Transfer of Membership. Transfer of membership in the ASSOCIATION shall be established by the recording in the Public Records of Lake County of a deed or other instrument establishing a transfer of record title to any Lot for which membership has already been established. The OWNER designated by such instrument of conveyance thereby becomes a MEMBER and the prior MEMBER's membership thereby is terminated. In the event of death of a MEMBER his membership shall be automatically transferred to his heirs or successors in interest. Notwithstanding the foregoing, the ASSOCIATION shall not be obligated to recognize such a transfer of membership until such time as the ASSOCIATION receives a true copy of the recorded deed or other instrument establishing the transfer of ownership of the Lot and it shall be the responsibility and obligation of both the former and the new OWNER of the Lot to provide such true copy of said recorded instrument to the ASSOCIATION.

5.3 Prohibition against Transfer. The share of a MEMBER in the funds and assets of the ASSOCIATION cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to the Lot associated with the membership of that MEMBER, nor may a membership be separately assigned, hypothecated or transferred in any manner except as an appurtenance to the Lot.

5.4 Determination of Voting Rights. The ASSOCIATION shall have two (2) classes of membership:

Class A. Class A members shall be all Owners (with the exception of the Developer as provided in section 2.3(b) of the Declaration and as set forth below). A Person shall automatically become a Class A Member upon becoming an Owner and shall remain a

Class A Member for so long as he/she is an Owner, and shall be entitled to one (1) vote for each Lot owned. When more than one Person holds an interest in any Lot, all such Persons shall be MEMBERS. The vote for such Lot shall be exercised as they determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

Class B. The Class B Member shall be the DEVELOPER and the DEVELOPER shall be entitled to three (3) votes for each Lot owned by the Developer; provided however that after Turnover the Class B Member shall be entitled to one (1) vote for each Lot owned by the Developer. The Class B membership shall terminate and become converted to Class A membership upon the happening of the earlier of the following:

- (a) the date that is three months after ninety percent (90%) of the Lots in all phases of the community that will ultimately be operated by the Association have been conveyed to the Members;
- (b) Ten (10) years from the date the DECLARATION is recorded in the Public Records of Lake County, Florida; or
- (c) Such earlier time as the Developer, in its sole discretion, determines as evidenced by a written waiver.

From and after the happening of these events, whichever occurs earlier, the Class B Members shall be deemed Class A Members entitled to one (1) vote for each Lot in which it holds the interest.

5.5 Voting by CO-OWNERS. If the Lot associated with the membership of a MEMBER is owned by more than one person, the vote(s) of the MEMBER may be cast at any meeting by any CO-OWNER of the Lot. If when the vote(s) is (are) to be cast a dispute arises between the CO-OWNERS as to how the vote(s) will be cast, they shall lose the right to cast their vote(s) on the matter being voted upon, but their vote(s) continue to be counted for purposes of determining the existence of a quorum.

5.6 Proxies. Every MEMBER entitled to vote at a meeting of the MEMBERS, or to express consent or dissent without a meeting may authorize another person to act on the MEMBER'S behalf by a proxy signed by such MEMBER. Any proxy shall be delivered to the Secretary of the ASSOCIATION or the person acting as Secretary at the meeting, at or prior to the time designated in the order of business for so delivering such proxies. To be valid, a proxy must be dated, must state the date, time and place of the meeting for which it was given, and must be signed by the authorized person who executed the proxy. A proxy is effective only for the specific meeting for which it was originally given and automatically expires ninety (90) days after the date of the meeting for which it was originally given. Any proxy granted is revocable at any time and will automatically cease should the member granting said proxy convey his Lot. If the proxy form expressly so provides, any proxy holder may appoint, in writing, a substitute to act in his or her place.

5.7 Calculation of Votes. Any question concerning the number of votes which may be cast by a MEMBER shall be decided by the BOARD.

ARTICLE 6
PERSONS SERVING ON THE BOARD

6.1 Persons Serving on the BOARD. The affairs of the ASSOCIATION shall be managed by a BOARD consisting of not less than three (3) persons, nor more than seven (7) persons, and which shall always be an odd number. The number of persons on the BOARD shall be determined in accordance with the Bylaws. In the absence of such determination, there shall be three (3) persons on the BOARD.

6.2 The DEVELOPER shall appoint the persons to serve on the BOARD of the ASSOCIATION as follows:

6.2.1 The DEVELOPER shall have the right to appoint all persons on the BOARD until the Turnover (as defined in the Declaration); at which point the Members shall elect all persons serving on the Board; except that the Developer shall retain the right to appoint one person to the Board as long as the Developer holds for sale in the ordinary course of business at least five percent (5%) of the Lots in all phases of the community.

6.2.2 Thereafter, all persons serving on the BOARD shall be elected by the MEMBERS of the ASSOCIATION.

6.3 After the DEVELOPER no longer has the right to appoint all persons on the BOARD under Section 6.2.1, or earlier if the DEVELOPER so elects, then and only then shall any persons on the BOARD be elected by the MEMBERS of the ASSOCIATION.

6.4 All of the duties and powers of the ASSOCIATION existing under Chapter 617 of the Florida Statutes, the Declaration, these Articles and the Bylaws shall be exercised exclusively by the BOARD, its agents, contractors or employees, subject to approval by the MEMBERS only when specifically required.

6.5 A member of the BOARD may be removed and vacancies on the BOARD shall be filled in the manner provided by the Bylaws. However, any member of the BOARD appointed by the DEVELOPER may only be removed by the DEVELOPER and any vacancy on the BOARD of a member appointed by the DEVELOPER shall be filled by the DEVELOPER.

7.6 The names and addresses of the members of the BOARD who shall hold office until their successors are elected or appointed, or until removed, are as follows:

ROHLAND A. JUNE, II:	32 West Plant Street Winter Garden, FL 34787
JAMES DUNN:	32 West Plant Street Winter Garden, FL 34787
JACQUELINE M. SKRABALAK	32 West Plant Street Winter Garden, FL 34787

ARTICLE 7

OFFICERS

7. Officers. The Officers of the ASSOCIATION shall be a President, Vice President, Secretary, Treasurer and such other officers as the BOARD may from time to time by resolution create. The Officers shall serve at the pleasure of the BOARD, and the Bylaws may provide for the removal from office of Officers, for filling vacancies, and for the duties of the Officers. The names of the Officers who shall serve until their successors are designated by the BOARD (or DEVELOPER, as set forth herein) are as follows:

President/Treasurer - ROHLAND A. JUNE, II
Vice President - JAMES DUNN
Secretary - JACQUELINE M. SKRABALAK

ARTICLE 8 INDEMNIFICATION

8. Indemnification of Officers, Members of the BOARD, or Agents. The ASSOCIATION shall indemnify any Person who was or is a party or is threatened to be made a party, to any threatened, pending or contemplated action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a member of the BOARD, employee, Officer, or agent of the ASSOCIATION, against expenses (including attorneys' fees and appellate attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interest of the ASSOCIATION; and, with respect to any criminal action or proceeding, if he had no reasonable cause to believe his conduct was unlawful; or matter as to which such Person shall have been adjudged to be liable for gross negligence or willful misfeasance or malfeasance in the performance of his duty to the ASSOCIATION unless and only to the extent that the court in which such action or suit was brought shall determine, upon application, that despite the adjudication of liability, but in view of all the circumstances of the case, such Person is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, in and of itself, create a presumption that the Person did not act in good faith and in a manner which he reasonably believed to be in, or not opposed to, the best interest of the ASSOCIATION; and with respect to any criminal action or proceeding that he had no reasonable cause to believe that his conduct was unlawful.

8.1 To the extent that a member of the BOARD, Officer, employee, or agent of the ASSOCIATION is entitled to indemnification by the ASSOCIATION in accordance with this Article 8, he shall be indemnified against expenses (including attorneys' fees and appellate attorneys' fees) actually and reasonable incurred by him in connection therewith.

8.2 Expenses incurred in defending a civil or criminal action, suit, or proceeding shall be paid by the ASSOCIATION in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the members of the BOARD, Officer, employee or agent of the ASSOCIATION to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the ASSOCIATION as authorized in this Article.

8.3 The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under the laws of the State of Florida, any Bylaw,

agreement, vote of MEMBERS or otherwise. As to action taken in an official capacity while holding office, the indemnification provided by this Article shall continue as to a Person who has ceased to be a member of the BOARD, Officer, employee, or agent of the ASSOCIATION and shall inure to the benefit of the heirs, executors and administrators of such a Person.

8.4 The ASSOCIATION shall have the power to purchase and maintain insurance on behalf of any Person who is or was a member of the BOARD, Officer, employee, or agent of the ASSOCIATION or the Master Association, or is or was serving at the request of the ASSOCIATION as a member of the BOARD, Officer, employee, or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against him and incurred by him in any such capacity, as arising out of his status as such, whether or not the ASSOCIATION would have the power to indemnify him against such liability under the provisions of this Article.

ARTICLE 9 BYLAWS

9. Initial Bylaws. The initial Bylaws shall be adopted by the BOARD and may be altered, amended, or rescinded in the manner provided for in the Bylaws.

ARTICLE 10 AMENDMENTS

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

10.1 Initiation. A resolution to amend these Articles may be proposed by a majority of the members of the BOARD or by MEMBERS holding not less than ten percent (10%) of the votes of the entire membership of the ASSOCIATION.

10.2 Notice. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is to be considered.

10.3 Adoption of Amendments.

10.3.1 A resolution for the adoption of the proposed amendment shall be adopted by MEMBERS having not less than a majority of the votes of the entire membership of the ASSOCIATION.

10.3.2 Amendment of the Articles shall require the assent of two-thirds (2/3) of the votes of the MEMBERS.

10.3.3 Upon the approval of an amendment to these Articles, Articles of Amendment shall be executed and delivered to the Department of State as provided by law, and a copy certified by the Department of State shall be recorded in the Public Records of Lake County, Florida, as an amendment to the Declaration.

ARTICLE 11 TERM

11. Existence of the ASSOCIATION shall commence with the filing of these Articles of Incorporation with the Secretary of State, Tallahassee, Florida, and the ASSOCIATION shall exist in perpetuity. If, for whatever reason, the ASSOCIATION is dissolved by the MEMBERS, any Conservation Areas, Dedicated Areas and any portions of the Common Area shall be conveyed to an appropriate agency of the local government for control and maintenance purposes. If no agency of the local government will accept such conveyance and responsibility, such property must be conveyed to a not-for-profit corporation similar to the ASSOCIATION. In the event of termination, dissolution or final liquidation of the ASSOCIATION, the responsibility for the operation and maintenance of the surface water or stormwater management system must be transferred to and accepted by an entity which would comply with Rule 62-330.310, F.A.C. and Applicant's Handbook Volume I, Section 12.3, and be approved by the St. Johns River Water Management District prior to such termination, dissolution, or liquidation.

ARTICLE 12
FHA/VA APPROVAL

12. As long as there is a Class B Membership, the following actions will require the approval of the Federal Housing Administration or the Veterans Administration: (i) annexation of additional properties; (ii) mergers and consolidations; (ii) mortgaging of Common Area; (iv) dissolution and amendment of the Articles.

ARTICLE 13
INCORPORATOR

11. The name and street address of the Incorporator is:

ROHLAND A. JUNE, II
32 West Plant Street
Winter Garden, FL 34787

ARTICLE 14
INITIAL REGISTERED OFFICE ADDRESS
AND NAME OF INITIAL REGISTERED AGENT

The street address of the initial registered office of the ASSOCIATION is 32 West Plant Street, Winter Garden, FL 34787. The initial Registered Agent of the ASSOCIATION at that address is ROHLAND A. JUNE, II.

IN WITNESS WHEREOF, the Incorporator and the initial Registered Agent have executed these Articles.

WITNESSES:

ROHLAND A. JUNE, II
Incorporator and Registered Agent

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____, 2015, by _____, as _____ of R & Groveland, LLC, a Florida limited liability company, on behalf of the limited liability company, who is personally known to me or who has produced _____ as identification.

Signature of Notary Public

(Print Notary Name)

My Commission Expires: _____

AFFIX NOTARY STAMP

CERTIFICATE DESIGNATING REGISTERED AGENT FOR
THE SERVICE OF PROCESS WITHIN THIS STATE

Pursuant to Chapter 48, Florida Statutes, the following is submitted in compliance with said Act:

LAKE DOUGLAS PRESERVE HOMEOWNERS' ASSOCIATION, INC., desiring to organize as a corporation under the laws of the State of Florida with its registered office at 32 W. Plant Street, Suite 200, Winter Garden, FL 34787, located at the above registered office, as its Registered Agent to accept service of process within this state.

ACKNOWLEDGMENT:

Having been named to accept service of process for the above stated corporation, at place designated in this Certificate, I hereby agree to act in this capacity, and further agree to comply with the provisions of said Act relative to keeping open said office.

ROHLAND A. JUNE, II,
Registered Agent

Date: September __, 2015

EXHIBIT “C”

BYLAWS

[See attached]

**BYLAWS OF
LAKE DOUGLAS PRESERVE HOMEOWNERS' ASSOCIATION, INC.**

**ARTICLE I
NAME AND LOCATION**

The name of the corporation is **LAKE DOUGLAS PRESERVE HOMEOWNERS' ASSOCIATION, INC.**, hereinafter referred to as the "**Association.**" The principal office of the corporation shall be located at 32 West Plant Street, Winter Garden, Florida 34787, with a mailing address of P.O. Box 770609, Winter Garden, Florida 34777, but meetings of members and directors may be held at such places within the State of Florida, County of Lake or Orange, as may be designated by the Board of Directors.

**ARTICLE II
DEFINITIONS**

Unless defined in these Bylaws or in the Articles of Incorporation, all terms used in the Articles and the Bylaws shall have the same meanings as used in the DECLARATION OF EASEMENTS, COVENANTS, CONDITIONS, AND RESTRICTIONS FOR LAKE DOUGLAS PRESERVE RESIDENTIAL SUBDIVISION (the "DECLARATION").

Section 1. "Association" shall mean and refer to the LAKE DOUGLAS PRESERVE HOMEOWNERS' ASSOCIATION INC., a Florida not-for-profit corporation and its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain real property described in the Declaration of Easements, Covenants, Conditions, and Restrictions for Lake Douglas Preserve Residential Subdivision as recorded in Official Records **Book _____, Page _____**, of the Public Records of Lake County, Florida (the "Declaration") and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Common Area" shall mean those portions of the Property that are not included in any Lot and that are owned by the Association for the common use and enjoyment of the Owners. Such Property includes property designated as Common Areas in any recorded plat or future recorded supplemental declaration, property the Association does not own but is required to maintain, and property otherwise designated by the Developer as Common Areas, together with the landscaping and any improvements thereon including, without limitation, any and all structures (including the outside portion of any walls built by the Developer bordering public rights-of-way contiguous to the Property), open space, conservation or preservation areas, drainage easements, mitigation buffer areas, littoral zones along retention/detention areas, walkways, swales and spreader swale areas, grass areas and upland buffer areas, signage areas and landscape buffer areas, landscape and wall buffer easement areas, parking areas, median strips in public streets, private streets, sidewalks, sprinkler systems, street lights and entrance features including the lighting,

signage and landscaping of the entrance features, but excluding any public utility installations thereon. Common Areas also include easements in favor of the Association.

Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Property which has been subjected to this Declaration and upon which a Dwelling Unit could be constructed in accordance with City of Groveland zoning ordinances in accordance with the applicable laws of Florida in effect from time to time. "Lot" shall not mean and refer to Common Areas, dedicated streets or drainage retention facilities.

Section 5. "Owner" shall mean and refer to the record owner, whether one or more person or entities, of any Lot(s) which is part of the Property but excluding in all cases any party holding an interest merely as security for the performance of an obligation.

Section 6. "Declaration" shall mean and refer to the Declaration of Easements, Covenants, Conditions, and Restrictions for Lake Douglas Preserve Residential Subdivision (as described in Section 2 above) as amended from time to time.

Section 7. "Developer" shall mean and refer to R & J GROVELAND, LLC., a Florida limited liability company and its successors and assigns subject to the terms, conditions, and restrictions as may be imposed on an assignment of Developer's rights as set forth in the Declaration.

Section 8. "Member" shall mean the Class A Members and the Class B Member as provided for in the Declaration.

Section 9. "Turnover" shall mean the date that is three months after ninety percent (90%) of the Lots in all phases of the community that will ultimately be operated by the Association have been conveyed to the Class A Members.

Section 10. "Turnover Date" shall mean the date on which Turnover occurs.

ARTICLE III

MEETING OF MEMBERS

Section 1. Annual Meeting. There shall be an annual meeting of the members of the corporation at such place, date, and time as may be designated by the Board of Directors in June of each year for the transaction of such business as may come before the meeting.

Section 2. Special Meetings. Special meetings of the members shall be held whenever called by the Board of Directors or by a written request of the members who are entitled to vote at least ten percent (10%) of all the votes of the Members. Business conducted at a special meeting is limited to the purposes described in the notice of the meeting.

Section 3. Notice of Meetings. Notices of all member meetings (including but not limited to member meetings and committee meetings) must be posted in a conspicuous place in the community at least forty-eight (48) hours in advance of a meeting, except in an emergency. In the alternative, if notice is not posted in a conspicuous place in the community, written notice of each board meeting (stating the time, place, and, in general terms, the purpose(s) of the meeting) must be mailed to the last known address (as it appears in the records of the Association at the time of such mailing) of the Member or Owner at least fourteen (14) days prior to the meeting. As an alternative to notice by mail, if a Member or Owner consents in writing, notice of meetings may be electronically transmitted to the Member or Owner. Evidence of compliance with this fourteen (14) day notice shall be made by an affidavit executed by the person providing the notice and filed upon execution among the official records of the Association. Meetings may be adjourned to a different date, time or place, as announced at that meeting before an adjournment is taken.

Section 4. Proxy. Each member may cast its vote, either in person or by proxy, for each Lot owned in fee simple by that particular member, solely or jointly, or by a corporation owning a Lot or Lots. To be valid, a proxy must be dated, must state the date, time and place of the meeting for which it was given, and must be signed by the authorized person who executed the proxy. A proxy is effective only for the specific meeting for which it was originally given and automatically expires ninety (90) days after the date of the meeting for which it was originally given. Any proxy granted is revocable at any time and will automatically cease should the member granting said proxy convey his Lot. All proxies shall be in writing and signed by the member and shall be filed with the Secretary. If the proxy form expressly so provides, any proxy holder may appoint, in writing, a substitute to act in his or her place.

Section 5. Quorum. At any meeting of the members a quorum shall consist of members holding thirty percent (30%) of the total voting interests of the Members, for any action, except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws.

Section 6. Attendance. Members have the right to attend all membership meetings and to speak at any meeting with reference to all items open for discussion or included on the agenda. A member and a parcel owner have the right to speak for at least three (3) minutes on any item, provided that the member or parcel owner submits a written request to speak prior to the meeting. The Board of Directors may adopt rules governing the frequency, duration and manner of statements.

ARTICLE IV **OFFICERS**

Section 1. Executive Officers. The executive officers of the corporation shall be the President, Vice President, Secretary and Treasurer. The executive officers shall be elected annually by the Board of Directors. They shall take office immediately after the election.

Section 2. The President. Subject to the direction of the Board of Directors, the President shall be the chief executive officer of the corporation and shall perform such other duties as from time to time may be assigned to him by the Board.

Section 3. The Vice President. The Vice President shall have such power and perform such duties as may be assigned to him by the Board of Directors or the President. In case of the absence or disability of the President, the duties of that officer shall be performed by the Vice President.

Section 4. The Secretary. The Secretary shall keep the minutes of all proceedings of the Board of Directors, all proceedings of all committees, and the minutes of the members' meetings in books provided for that purpose. The Secretary shall have custody of the corporate seal and such books and papers as the Board of Directors may direct. The Secretary shall, in general, perform all the duties incident to the office of Secretary, subject to the control of the Board of Directors and the President, and he shall also perform such other duties as may be assigned to him by the President or by the Board.

Section 5. Treasurer. The Treasurer shall have the custody of all the receipts, disbursements, funds and the securities of the corporation and shall perform all duties incident to the office of the Treasurer, subject to the control of the Board of Directors and the President. He shall perform such other duties as may from time to time be assigned to him by the Board of Directors or the President. If required by the Board of Directors, he shall give a bond for the faithful discharge of his duties in such sum as the Board of Directors may require. He shall cause an annual audit of the books of the Association to be made by a public accountant at the completion of each fiscal year.

Section 6. Subordinate Officers. The President, with the approval of the Board of Directors, may appoint such other officers and agents as the Board of Directors may deem necessary, who shall have such authority and perform such duties as from time to time may be prescribed by the President or by the Board.

Section 7. Term. The officers of this Association shall be elected annually by the Board of Directors and each shall hold office for one (1) year unless they shall sooner resign, be removed, or otherwise disqualified to serve by sale of property, death, non-payment of dues or other cause.

Section 8. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 9. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President, or the Secretary. Such resignation shall take effect on the date of receipt of

such notice or at any later time specified therein and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 10. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

ARTICLE V

BOARD OF DIRECTORS

Section 1. Number. The affairs of the Association shall be managed by a Board consisting of no less than three (3) persons and no more than seven (7) persons. Board members appointed by the Developer need not be members of the Association. Board members elected by the other members must be members of the Association.

Section 2. Term of Office. The election of Directors by the Members shall take place after Developer no longer has the authority to appoint the Board (in accordance with Section 6.2.1 of the Articles of Incorporation). The members shall elect three (3) Directors: one (1) Director for a term of one (1) year, one (1) Director for a term of two (2) years, and one (1) Director for a term of three (3) years. The candidate receiving the largest number of votes shall serve as the Director for three (3) years; the candidate receiving the second largest vote shall serve as Director for two (2) years; and the candidate receiving the least amount of votes shall serve as Director for one (1) year. At each annual members meeting thereafter, the members shall elect the appropriate number of Directors (for the appropriate term in accordance with these Bylaws). The Director's respective terms shall end upon the election of new Directors at the annual members meeting (except that the term of the Board appointed by Developer shall extend until the date designated by Developer or until the Turnover Date).

Section 3. Vacancy Due to Removal, Resignation or Death.

(a) Removal. Prior to Turnover, the Developer may remove any member of the Board of Directors, with or without cause, in its sole discretion. After Turnover, any member of the Board of Directors may be removed, with or without cause, by the vote (by written ballot or taken at a meeting) or agreement in writing of members holding a majority of the voting interests.

(b) Vacancy. Prior to Turnover, any vacancy created by the death or resignation of a Board member appointed by Developer may be replaced by Developer. After Turnover, any vacancy created by the death or resignation of a Director, the remaining Directors (by affirmative vote of the majority of the remaining directors) may appoint a member to fill such vacancy for the unexpired term of the seat being filled. If a vacancy occurs on the Board as a result of a recall and less than a majority of the Board directors are removed, the vacancy may be filled by the affirmative vote of a majority of the remaining directors. If vacancies occur on the Board as a result of a recall and a majority or more of the Board of Directors are removed, the vacancies shall be filled by the members voting in favor of the recall.

Section 4. Compensation. No Director shall receive compensation for any service rendered as a Director to Association; provided, however, any Director may be reimbursed for actual expenses incurred as a Director.

Section 5. Action Taken Without a Meeting. Except to the extent prohibited by law, the Board shall have the right to take any action without a meeting by obtaining the written approval of the required number of Directors. Any action so approved shall have the same effect as though taken at a meeting of Directors.

Section 6. Appointment and Election of Directors. Until the Turnover Date, the Developer shall have the unrestricted power to appoint all Directors of the Association. From and after the Turnover Date, or such earlier date determined by Developer in its sole and absolute discretion, the members shall elect all Directors of the Association at or in conjunction with the annual members meeting.

Section 7. Election. Election to the Board of Directors by the Members shall be by secret written ballot, unless unanimously waived by all members present. The persons receiving the largest numbers of votes shall be elected. Cumulative voting is not permitted. All members of the Association are eligible to serve on the Board of Directors and a member may nominate himself or herself as a candidate for the board at a meeting where the election is to be held or in advance of the balloting. Voting by absentee ballot is permitted. A person who is delinquent in the payment of any fee, fine, Assessment, or other monetary obligation to the Association for more than ninety (90) days is not eligible for board membership.

ARTICLE VI

MEETING OF DIRECTORS.

Section 1. Regular Meetings. Regular meetings of the Board shall be held on a schedule adopted by the Board from time to time. Meetings shall be held at such place and hour as may be fixed, from time to time, by resolution of the Board.

Section 2. Special Meetings. Special meetings of the Board shall be held when called by the President or by any two (2) Directors. Each Director shall be given not less than two (2) days' notice except in the event of an emergency. Notice may be waived. Attendance shall be a waiver of notice. Telephone conference meetings are permitted.

Section 3. Emergencies. In the event of an emergency involving immediate danger of injury or death to any person or damage to property, if a meeting of the Board cannot be immediately convened to determine a course of action the President or, in his absence, any other officer or director, shall be authorized to take such action on behalf of Association as shall be reasonably required to appropriately respond to the emergency situation, including the expenditure of Association funds in the minimum amount as may be reasonably required under the circumstances. The authority of officers to act in accordance herewith shall remain in effect until

the first to occur of the resolution of the emergency situation or a meeting of the Board convened to act in response thereto.

Section 4. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting, at which a quorum is present, or in writing in lieu thereof, shall be an action of the Board. Directors may attend meetings telephonically. When some or all Directors meet by telephone conference, those Directors attending by telephone conference shall be counted toward obtaining a quorum and may vote by telephone. A telephone speaker shall be utilized at the noticed location of the meeting so that the conversation of those Directors may be heard by the Board, as well as any member present at the meeting. Members may not attend Board meetings telephonically.

Section 5. Open Meetings. Members may attend all meetings of the Board which are open to Members in accordance with Florida law. Provided however, no Member may disrupt any such proceedings of the Board. A Member who disrupts any meeting of the Board may be removed from such meeting.

Section 6. Voting. Board members shall cast votes in the manner provided in the Florida Statutes. In the absence of a statutory provision, the Board shall establish the manner in which votes shall be cast.

Section 7. Notice of Board Meeting. Notices of meetings of the Board shall be posted in a conspicuous place on the Common Areas at least forty eight (48) hours in advance, except in an event of an emergency. Alternatively, notice may be given to members in any other manner provided by Florida Statute. By way of example, and not of limitation, notice may be given in any newsletter distributed to the members. For the purposes of giving notice, the area for notices to be posted which are selected by the Board shall be deemed a conspicuous place. Notwithstanding anything to the contrary herein, notice of any meeting of the Board at which an Assessment will be levied must be provided to all members at least fourteen (14) days before the meeting, which notice shall include a statement that Assessments will be considered at the meeting and the nature of the Assessments.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD.

Section 1. Powers. The Board shall, subject to the limitations and reservations set forth in the Declaration and Articles, have the powers reasonably necessary to manage, operate, maintain and discharge the duties of the Association including, but not limited to, the power to cause the Association to do the following:

- (a) General. Exercise all powers, duties and authority vested in or delegated to the Association by law and as set forth in these Bylaws, the Articles, and the Declaration, including, without limitation, adopt budgets, levy Assessments, and

enter into contracts with Telecommunications Providers for Telecommunications Services;

- (b) Rules and Regulations. Adopt, publish, promulgate and enforce rules and regulations governing the use of LAKE DOUGLAS PRESERVE ASSOCIATION, INC., by the members, tenants and their guests and invitees, and to establish penalties and/or fines for the infraction thereof subject only to the requirements of the Florida Statutes, if any;
- (c) Enforcement. Suspend the right of use of the Common Areas (other than for vehicular and pedestrian ingress and egress and for utilities) of a member during any period in which such member shall be in default in the payment of any Assessment or charge levied, or collected, by Association;
- (d) Declare Vacancies. Declare the office of a member of the Board to be vacant in the event such member shall be absent from three (3) consecutive regular Board meetings;
- (e) Hire Employees. Employ, on behalf of Association, managers, independent contractors, or such other employees as it deems necessary, to prescribe their duties and delegate to such manager, contractor, etc., any or all of the duties and functions of Association and/or its officers;
- (f) Common Areas. Acquire, sell, operate, lease, manage and otherwise trade and deal with property, real and personal, including the Common Areas, as provided in the Declaration, and with any other matters involving Association or its members, on behalf of Association or the discharge of its duties, as may be necessary or convenient for the operation and management of Association and in accomplishing the purposes set forth in the Declaration;
- (g) Granting of Interest. Grant licenses, easements, permits, leases, or privileges to any individual or entity, which affect Common Areas and to alter, add to, relocate or improve the Common Areas as provided in the Declaration;
- (h) Financial Reports. Prepare all financial reports required by the Florida Statutes; and
- (i) Vote. The Board shall exercise all powers so granted, except where the Declaration, Articles or these Bylaws specifically require a vote of the members.

Section 2. Limitations. Until the Turnover Date, Developer shall have and is hereby granted a right to disapprove or veto any such action, policy, or program proposed or authorized by Association, the Board, any committee of Association, or the vote of the members. This right may be exercised by Developer at any time within sixty (60) days following a meeting held pursuant to the terms and provisions hereof. This right to disapprove may be used to veto proposed

actions but shall not extend to requiring any action or counteraction on behalf of Association, the Board, or any committee of the Association.

ARTICLE VIII **MEMBERSHIPS**

Section 1. Qualifications. Only lot owners in LAKE DOUGLAS PRESERVE subdivision, or additions brought within the jurisdiction of the Association shall be members of this corporation (except the Developer may be a Member subject to and in accordance with the terms of the Declaration). When two (2) or more persons are the joint owners of real property in LAKE DOUGLAS PRESERVE, or additions brought within the jurisdiction of the Association, all such persons shall be members. Whenever a member shall cease to own real property in LAKE DOUGLAS PRESERVE or additions brought within the jurisdiction of the Association, such member shall automatically be dropped from the membership of the corporation.

Section 2. Members. A member shall have no vested right, interest, or privilege of, in or to the assets, functions, affairs or franchises of the corporation, or any right, interest, or privilege which may be transferable or inheritable, or which shall continue after his membership ceases, or while he is not in good standing.

Section 3. Manner of Admission. Every person buying a lot in LAKE DOUGLAS PRESERVE, or additions brought within the jurisdiction of the Association, shall become a member of the Association upon the acquisition of his lot.

Section 4. Memberships Not Transferable. No membership may be sold, assigned, or transferred, voluntarily or by Will or by operation of law.

Section 5. Termination of Membership. Each membership shall cease when the member sells, assigns, transfers, or otherwise disposes of his lot in LAKE DOUGLAS PRESERVE, or additions brought within the jurisdiction of the Association.

Section 6. Annual General Assessment. Every member shall be required to pay an annual assessment, the amount of which shall be determined by the Board of Directors and may be changed from year to year by the Board of Directors or by the members. Annual General Assessments for new members shall be pro-rated from the date ownership is acquired to the last day of the year.

ARTICLE IX **LOSS OF PROPERTY**

The Board of Directors shall not be liable or responsible for the destruction of, loss of, or damage to the property of any member or the guest of any member, or visitor, or any other persons.

ARTICLE X
MAINTENANCE CHARGES

Section 1. Fees. The Board of Directors shall have the right and power to subject the property to Assessments which Assessment shall include the Annual General Assessment, the Initiation Assessment, and any Service Assessments or Special Assessments, as provided for in Article IV of the Declaration. It shall be the duty of the Board of Directors to enforce and implement the provisions of the Declaration.

Section 2. Use of Funds. The funds raised by dues and assessments may be used for the following purposes:

(a) For lighting, improving, and maintaining the streets and dedicated right-of-way areas maintained for the general use of the owners and occupants of land included in such subdivision;

(b) For operating and maintaining any storm-water drains now or hereafter constructed in such subdivision that are not or will not be under the direct supervision of the State or County;

(c) For collecting and disposing of garbage, ashes and rubbish;

(d) For employing policemen and watchmen;

(e) For doing any other thing necessary or desirable, in the opinion of the Board of Directors, to keep the property neat and in good order and eliminate fire hazards, or which in the opinion of the Board of Directors may be of general benefit to the owners or occupants of the land included in LAKE DOUGLAS PRESERVE or additions brought within the jurisdiction of the Association; and

(f) To carry out the business and responsibilities of the Association, as set forth in Section 4.2 of the Declaration.

Section 3. Certificate of Liens. Upon request, the Association shall furnish to any owner or mortgagee, or other interested person, a certificate showing the unpaid maintenance charges against any lot or lots.

ARTICLE XI
NOTICE

Section 1. Notice. Whenever, according to these Bylaws or the Declaration, a notice shall be required to be given to any member, it shall not be construed to mean personal notice, but such notice may be given in writing by depositing the same in a post office in Orange or Seminole

County, Florida, in a postpaid, sealed wrapper, addressed to such member at his address as the same appears on the books of the corporation, and at the time when such notice is mailed shall be deemed the time of the giving of such notice. As an alternative to notice by mail, if a Member or Owner consents in writing, notice of meetings may be electronically transmitted to the Member or Owner.

Section 2. Waiver of Notice. Any notice required to be given by these Bylaws may be waived by the person entitled thereto.

ARTICLE XII COMMITTEES

The Association shall appoint an Architectural Review and Covenants Committee (the "Architectural Committee"), as provided for in the Declaration. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE XIII BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XIV CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: LAKE DOUGLAS PRESERVE HOMEOWNERS' ASSOCIATION, INC., incorporated in 2007, a corporation not for profit, Florida.

ARTICLE XV ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay to the Association certain Assessments, including, but not limited to, the annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessment which is not paid within fifteen (15) days after the due date, shall bear interest from the date of delinquency at the highest rate permitted by Florida law, and the Association may bring an action at law against the Owner personally obligated to pay the same and/or foreclose the lien against the property, and interest, costs and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. No owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of his lot.

ARTICLE XVI
AMENDMENTS

Section 1. Amendments Prior to the Turnover Date. Prior to the Turnover Date, Developer shall have the right to amend these Bylaws as it deems appropriate, without the joinder or consent of any person or entity whatsoever. Developer's right to amend under this provision is to be construed as broadly as possible. In the event that Association shall desire to amend these Bylaws prior to the Turnover Date, Association must first obtain Developer's prior written consent to any proposed amendment. Thereafter, an amendment identical to that approved by Developer may be adopted by Association pursuant to the requirements for amendments from and after the Turnover Date. Thereafter, Developer shall join in such identical amendment so that its consent to the same will be reflected in the Public Records.

Section 2. Amendments From and After the Turnover Date. After the Turnover Date, but subject to the general restrictions on amendments set forth above, these Bylaws may be amended with the approval of: (i) sixty-six and two-thirds percent (66 2/3%) of the Board; and (ii) seventy-five percent (75%) of the votes present (in person or by proxy) at a duly called meeting of the members in which there is a quorum. Notwithstanding the foregoing, these Bylaws may be amended after the Turnover Date by sixty-six and two-thirds percent (66 2/3%) of the Board acting alone to change the number of directors on the Board. Such change shall not require the approval of the members. Any change in the number of directors shall not take effect until the next annual members meeting. A quorum for any meeting of the members for the purpose of adopting amendments after the Turnover Date shall be established by the presence, in person or by proxy, of the members entitled to cast thirty percent (30%) of the voting interests.

Section 3. Conflict. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

IN WITNESS WHEREOF, these Bylaws have been adopted by the Board of Directors this ___ day of _____, 2015.

ROHLAND A. JUNE, II

JAMES DUNN

JEFFREY A. SEDLOFF