

The Lakes V

HOA Summary

This summary is provided for general informational purposes and is not part of the recorded HOA documents nor a full list of restrictions and covenants. Refer to the full HOA governing docs for a complete understanding of the Homeowners' Association covenants, bylaws, and restrictions. Written approval from the Architectural Review Board may be required prior to making allowed changes to the property.

Fences

Materials: Allowed – Made of Cypress or other wood materials, or vinyl

Height: May not exceed 6 feet

Landscaping and Yard Use

Trees, plants, and landscaping: No limitations noted

Garden beds: No limitations noted

Swing sets and sports equipment: No limitations noted

Sheds: Not allowed

Swimming pools: Allowed - In ground. Not allowed - above ground.

Parking and Motor Vehicles

Commercial / Work Vehicles: Allowed in garage

Boats, RV's, ATV's, jet skis, etc.: No limitations noted

Trailers: No limitations noted

Animals

Number: 2 household pets

Restrictions: No limitations noted

Livestock: Not allowed

Rentals

Long term: No limitations noted

Short term: No limitations noted

See recorded HOA documents in pages that follow



Corporate offices • 3020 S. Florida Avenue Suite 101 • Lakeland, FL 33803 • (863) 619-7103

www.HighlandHomes.ORG

For informational purposes only; subject to change without notice. Refer to the full covenants and association governing docs for a complete understanding of the Homeowners' Association.

PREPARED BY AND RETURN TO:
Craig B. Hill, Esq.
Peterson & Myers, P.A.
P.O. Box 24628
Lakeland, FL 33802-4628

**SUPPLEMENTAL DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
FOR
THE LAKES II**

THIS SUPPLEMENTAL DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE LAKES II ("Supplemental Declaration") is made this 26th day of March, 2019, by LAKE ALFRED LAND PARTNERS III, LLC, a Florida limited liability company ("Declarant"), who recites and provides:

RECITALS:

WHEREAS, Declarant is the successor Declarant to Meridian Land Holdings, LLC, a Delaware limited liability company, under and pursuant to that certain Declaration of Covenants, Conditions and Restrictions for The Lakes II, recorded April 21, 2010, in Official Records Book 8121, Page 107, Public Records of Polk County, Florida (the "Declaration");

WHEREAS, certain Properties (as defined and described in the Declaration) have been submitted and subjected to all the terms and conditions of the Declaration;

WHEREAS, pursuant to Article X, Section 13 of the Declaration, Declarant has the right to make additional land subject to all the terms and conditions of the Declaration by recording a supplement to the Declaration;

WHEREAS, Declarant is the owner of that certain real property located in Polk County, Florida, as more particularly described on Exhibit "A" attached hereto and incorporated herein by reference (the "Additional Land");

WHEREAS, Declarant desires to record this Supplemental Declaration to make and subject the Additional Land to all the terms and conditions of the Declaration, as further set forth herein.

NOW THEREFORE, in consideration of the provisions hereof and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, Declarant hereby declares as follows:

1. Recitals. The foregoing recitals are true and correct and are incorporated herein by this reference. Unless otherwise defined herein, all capitalized terms shall have the same meaning ascribed to them in the Declaration.

2. Additional Land. The Additional Land (as described on Exhibit "A" attached hereto and incorporated herein by reference) is hereby subjected to all the terms and conditions of the Declaration and all covenants, conditions, easements, restrictions, charges and liens set forth therein, and such Additional Land is hereby brought within the jurisdiction and control of the Association, all of which shall be covenants running with the land and shall be binding upon and inure to the benefit of all or any part of the Additional Land. The Additional Land shall be included within the term Properties as used in the Declaration. It is anticipated that the Additional Land will be included on a Plat, which shall be subject to the Declaration.

3. Modification. Except as expressly supplemented and modified herein, the Declaration shall remain unchanged and in full force and effect.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Declarant has caused this Supplemental Declaration to be executed effective the day and year first above written.

WITNESSES:

Denise Abercrombie
Print Name: Denise Abercrombie

Bethany Ferguson
Print Name: Bethany Ferguson

“DECLARANT”

LAKE ALFRED LAND PARTNERS
III, LLC, a Florida limited liability company
By: Highland Equities, Inc.,
a Florida corporation, its Manager

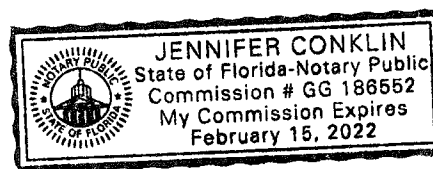
By: [Signature]
Print Name: D. Joel Adams
Title: Vice President

STATE OF FLORIDA
COUNTY OF POLK

The foregoing instrument was acknowledged before me this 26 day of March, 2019,
by D. Joel Adams as Vice President of Highland
Equities, Inc., a Florida corporation, the Manager of Lake Alfred Land Partners III, LLC, a
Florida limited liability company, who ☒ is personally known to me or _____ who has
produced _____ as identification.

[Signature]
Notary Public Signature
Print Name: Jennifer Conklin
My Commission Expires: 2/15/22

(NOTARY SEAL)



JOINDER AND CONSENT OF MORTGAGEE
TO SUPPLEMENTAL DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS FOR THE LAKES II

LAKE ALFRED FUNDING III, LLC, a Florida limited liability company ("Mortgagee") is the lender under and holder of a certain Real Estate Mortgage, recorded September 6, 2018, in Official Records Book 10603, Page 2064, Public Records of Polk County, Florida (the "Mortgage") given by Lake Alfred Land Partners III, LLC, a Florida limited liability company, encumbering the real property being subjected to this Supplemental Declaration of Covenants, Conditions and Restrictions for The Lakes II (the "Supplemental Declaration") and the imposition of the provisions thereof on the real property encumbered by the Mortgage. Mortgagee hereby joins in and consents to this Supplemental Declaration and the recordation thereof. Nothing contained herein shall be deemed to or in any way limit or affect the Mortgage held by Mortgagee, or the priority of the lien created thereby and the sole purpose of this Joinder and Consent is to acknowledge the joinder and consent of Mortgagee to this Supplemental Declaration.

EXECUTED this 26 day of March, 2019.

WITNESSES:

Denise Abercrombie
Print Name: Denise Abercrombie

Bethany Ferguson
Print Name: Bethany Ferguson

"MORTGAGEE"

LAKE ALFRED FUNDING
III, LLC, a Florida limited liability
company

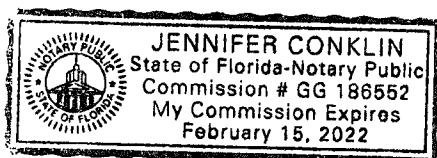
By: Easton Management, LLC,
a Florida limited liability company,
its Manager

By: [Signature]
Print Name: George Mundsey III
Title: managing member

STATE OF FLORIDA
COUNTY OF POLK

The foregoing instrument was acknowledged before me this 26 day of March, 2019, by George Mundsey III as managing member of Easton Management, LLC, a Florida limited liability company, the Manager of Lake Alfred Funding III, LLC, a Florida limited liability company, who ☒ is personally known to me or _____ who has produced _____ as identification.

(NOTARY SEAL)



[Signature]
Notary Public Signature
Print Name: Jennifer Conklin
My Commission Expires: 2/15/22

EXHIBIT "A"

Legal Description of Additional Land

(Page 1 of 2)

ALL OF TRACT "C" OF TRACT 4, THE LAKES ACCORDING TO THE PLAT THEREOF RECORDED IN PLAT BOOK 146, PAGES 1 AND 2 OF THE PUBLIC RECORDS OF POLK COUNTY, FLORIDA AND THAT PORTION OF U.S. GOVERNMENT LOTS 2 AND 3 IN SECTION 4, TOWNSHIP 28 SOUTH, RANGE 26 EAST, POLK COUNTY, FLORIDA BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTHWEST CORNER OF THE NORTHEAST 1/4 OF SAID SECTION 4, THE SAME ALSO BEING THE NORTHWEST CORNER OF SAID U.S. GOVERNMENT LOT 2; THENCE SOUTH 89°57'25" WEST ALONG THE SOUTHERLY BOUNDARY OF LOT 13 OF TRACT 4A, THE LAKES ACCORDING TO THE PLAT THEREOF RECORDED IN PLAT BOOK 159, PAGES 7 AND 8, PUBLIC RECORDS OF POLK COUNTY, FLORIDA, A DISTANCE OF 121.50 FEET; THENCE SOUTHERLY ALONG THE EASTERLY BOUNDARY OF SAID TRACT 4A THE FOLLOWING FIVE (5) COURSES: 1.) SOUTH 00°00'00" WEST, 97.25 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 25.00 FEET; THENCE 2.) SOUTHEASTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE/DELTA OF 90°00'00" (CHORD = 35.36 FEET, CHORD BEARING = SOUTH 45°00'00" EAST) FOR A DISTANCE OF 39.27 FEET; THENCE 3.) SOUTH 00°00'00" WEST, ALONG A RADIAL LINE FROM THE AFORESAID CURVE, A DISTANCE OF 50.00 FEET; THENCE 4.) SOUTH 90°00'00" WEST 22.92 FEET; THENCE 5.) SOUTH 00°00'00" WEST, 120.00 FEET TO THE POINT OF BEGINNING FOR THIS DESCRIPTION; THENCE NORTH 90°00'00" EAST, 435.07 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 195.00 FEET; THENCE SOUTHEASTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE/DELTA OF 61°40'23" (CHORD = 199.91 FEET, CHORD BEARING = SOUTH 59°09'48" EAST) FOR A DISTANCE OF 209.90 FEET TO THE POINT OF TANGENCY; THENCE SOUTH 28°19'37" EAST, 741.86 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 195.00 FEET; THENCE SOUTHEASTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE/DELTA OF 15°39'39" (CHORD = 53.13 FEET, CHORD BEARING = SOUTH 36°09'26" EAST) FOR A DISTANCE OF 53.30 FEET TO THE POINT OF TANGENCY; THENCE SOUTH 43°59'16" EAST, 467.81 FEET TO THE POINT OF CUSP WITH A CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 80.00 FEET; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE/DELTA OF 46°00'51" (CHORD = 62.54 FEET, CHORD BEARING = NORTH 66°59'41" WEST) FOR A DISTANCE OF 64.25 FEET TO THE POINT OF TANGENCY WITH THE EASTERLY EXTENSION OF THE NORTHERLY RIGHT-OF-WAY OF MACKAY BOULEVARD EXTENSION ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 154, PAGES 8 AND 9 OF THE PUBLIC RECORDS OF POLK COUNTY, FLORIDA; THENCE SOUTH 90°00'00" WEST ALONG SAID EASTERLY EXTENSION AND THE NORTH RIGHT-OF-WAY LINE OF MACKAY BOULEVARD EXTENSION, A DISTANCE OF 775.83 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 410.00 FEET; THENCE CONTINUING WESTERLY AND NORTHWESTERLY ALONG THE AFORESAID NORTHERLY RIGHT-OF-WAY LINE THE FOLLOWING THREE (3) COURSES: 1.) THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE, AND SAID

EXHIBIT "A"

Legal Description of Additional Land

(Page 2 of 2)

RIGHT-OF-WAY, THROUGH A CENTRAL ANGLE/DELTA OF 34°23'15" (CHORD = 242.40 FEET, CHORD BEARING = NORTH 72°48'23" WEST) FOR A DISTANCE OF 246.07 FEET TO THE POINT OF TANGENCY; THENCE 2.) NORTH 55°36'46" WEST, 496.18 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 470.00 FEET; THENCE 3.) NORTHWESTERLY ALONG THE ARC OF SAID CURVE, AND SAID RIGHT-OF-WAY, THROUGH A CENTRAL ANGLE/DELTA OF 23°10'59" (CHORD = 188.88 FEET, CHORD BEARING = NORTH 67°12'16" WEST) FOR A DISTANCE OF 190.17 FEET TO THE INTERSECTION WITH THE EAST BOUNDARY OF THE AFOREMENTIONED TRACT 4, THE LAKES; THENCE DEPARTING SAID RIGHT-OF-WAY, NORTH 11°12'27" EAST, ALONG THE EAST BOUNDARY OF TRACT 4, THE LAKES, A DISTANCE OF 140.00 FEET; THENCE NORTH 05°11'19" EAST, ALONG SAID BOUNDARY, A DISTANCE OF 70.32 FEET; THENCE NORTH 00°00'00" EAST, 88.12 FEET TO THE SOUTH BOUNDARY OF BLOCK 4 OF TRACT 4, THE LAKES; THENCE EASTERLY, NORTHERLY AND WESTERLY AROUND THE EASTERLY BOUNDARY OF SAID BLOCK 4, THE FOLLOWING FOUR (4) COURSES: THENCE 1.) NORTH 90°00'00" EAST, 120.92 FEET; THENCE 2.) NORTH 25°11'04" EAST, 60.14 FEET; THENCE 3.) NORTH 00°00'00" EAST, 165.58 FEET; THENCE 4.) NORTH 90°00'00" WEST, 121.51 FEET; THENCE DEPARTING SAID BLOCK 4, NORTH 00°00'00" EAST, 50.00 FEET TO THE RADIAL INTERSECTION WITH A CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 25.00 FEET; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE/DELTA OF 90°00'00" (CHORD = 35.36 FEET, CHORD BEARING = NORTH 45°00'00" WEST) FOR A DISTANCE OF 39.27 FEET TO THE POINT OF TANGENCY; THENCE NORTH 00°00'00" EAST, 95.00 FEET TO THE SOUTH BOUNDARY OF THE AFOREMENTIONED TRACT 4A, THE LAKES; THENCE NORTH 90°00'00" EAST, ALONG SAID SOUTH BOUNDARY, A DISTANCE OF 300.00 FEET TO THE POINT OF BEGINNING.

THE ABOVE DESCRIBED LANDS CONTAIN 25.78 ACRES, MORE OR LESS.

2 * 494.50

③

PREPARED BY AND RETURN TO:
HARRY S. CLINE, ESQ.
Macfarlane Ferguson & McMullen
Post Office Box 1669
Clearwater, FL 33757

INSTR # 2010063880
BK 08121 PGS 0107-0164 PG(s) 58
RECORDED 04/21/2010 02:26:23 PM
RICHARD M WEISS, CLERK OF COURT
POLK COUNTY
RECORDING FEES 494.50
RECORDED BY S Wetzel

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

FOR

THE LAKES II

THIS DECLARATION, made on the date hereinafter set forth by RON ALLAR, as Vice President of **MERIDIAN HOLDINGS, LLC**, a **Delaware limited liability company**, hereinafter referred to as "Declarant".

WITNESSETH:

WHEREAS, Declarant is the owner and developer of certain real property in Polk County, Florida which the Declarant intends to develop into an exclusive residential community known as "The Lakes II", and which will consist of multiple Tracts; and

WHEREAS, Declarant desires to provide for the preservation of the values and amenities in the community and for the maintenance of the common properties on The Lakes II; and, to this end, the Declarant desires to subject the real property described in **Exhibit "A-1"**, and any further property added to this declaration in the future, to the covenants, actions, easements, charges and liens hereinafter set forth, each and all of which is and are the benefit of such property and each owner of such property; and

WHEREAS, Declarant has deemed it desirable, for the efficient preservation of the values and amenities in the community, to create an agency to which should be delegated and assigned the powers of maintaining and administering the common properties and facilities, administering and enforcing the covenants and restrictions, and collecting and disbursing of the assessments and charges hereinafter created, and

WHEREAS, the Declarant has or shall incorporate under the laws of the State of Florida, not-for-profit corporation, **THE LAKES II HOMEOWNERS ASSOCIATION, INC.** [the "Association"], to administer the Covenants, Conditions and Restrictions for the benefit of the Owners, and to hold title to such Common Properties as are from time to time conveyed to the Association; it is

MACFARLANE FERGUSON MCMULLEN
625 COURT ST STE 200
CLEARWATER, FL 33756

1

R

NOW, THEREFORE, the Declarant hereby declares that the real property described in the attached Exhibit "A-1" shall be held, transferred, sold, conveyed and occupied subject to the following covenants, restrictions, easements, conditions, charges and liens hereinafter set forth which are for the purpose of protecting the value and desirability of, and which shall run with the real property and be binding on all parties having any right, title or interest therein or any part thereof, their respective heirs, personal representatives, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I – DEFINITIONS

Section 1. "Architectural Control Committee" or the "Committee" shall mean and refer to the person or persons designated from time to time to perform the duties of the Design Review Board as set forth herein, and their successors and assigns.

Section 2. "Articles" shall mean the Articles of Incorporation of the THE LAKES II HOMEOWNERS ASSOCIATION, INC., a Florida non-profit corporation, as filed with the Florida Secretary of State, which is incorporated herein by reference and made a part hereof as Exhibit "B", including any and all amendments or modifications thereof,

Section 3. "Association" shall mean and refer to THE LAKES II HOMEOWNERS ASSOCIATION, INC., a Florida not for profit corporation, its successors and assigns.

Section 4. "Board" shall mean the Board of Directors of the Association.

Section 5. "Bylaws" shall mean the Bylaws of the Association, as duly adopted by the Association, being made a part hereof by reference as Exhibit "C", including any and all amendments or modifications thereof.

Section 6. "Common Area" shall mean all real property (including the improvements thereon) now or hereafter owned by the Association for the common use and enjoyment of the Owners of THE LAKES II, whether conveyed by separate deed, dedicated on a plat, or however so transferred now or hereafter to the Association.

Section 7. "Common Expense" shall mean and refer to any expense for which a general and uniform assessment may be made against the Owners (as hereinafter defined) and shall include, but in no way be limited to, the expenses of upkeep and maintenance of the Common Area medians and shoulders of collector and arterial roadways, certain boundary walls and entrance signs, and street lighting on collector and arterial roadways.

Section 8. "Conceptual Master Plan" shall mean and refer to a general and conceptual master development plan, if any, for The Lakes II which the Developer may submit to the planning and zoning department of the City of Lake Alfred and as the same may be amended or

modified from time to time. The Developer shall have no obligation to submit such Conceptual Master Plan if not so required by the City of Lake Alfred, and such Conceptual Master Plan may, but need not be, approved as a formal or binding Master Plan by the City of Lake Alfred.

Section 9. "Declarant" shall mean and refer to MERIDIAN LAND HOLDINGS, LLC, a Delaware limited liability company, its successors and/or assigns; provided, however, it shall not include any person or party who purchases a Lot from the Declarant for further development hereunder, excluding individual Unit Owners unless such purchaser is specifically assigned as to such property by separate recorded instrument, some or all of the rights held by the Declarant hereunder with regard thereto.

Section 10. "Declaration" shall mean and refer to this DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE LAKES II and any amendments or modifications thereof hereafter made from time to time.

Section 11. "Dwelling" shall mean and refer to each and every single family residential unit constructed on any lot.

Section 12. "Exhibits" shall be as follows:

Exhibit "A-1" Legal description for properties subjected to this
Declaration of Covenants, Conditions and Restrictions

Exhibit "A-2" Legal description for properties subject to possible future
Development

Exhibit "B" Articles of Incorporation

Exhibit "C" Bylaws

Section 12. "FHA" shall mean and refer to the Federal Housing Administration.

Section 13. "First Mortgagee" shall mean and refer to an Institutional Lender who holds a first mortgage on a Lot and who has notified the Association of its holdings.

Section 14. "FNMA" shall mean and refer to the Federal National Mortgage Association.

Section 15. "GNMA" shall mean and refer to the Government National Mortgage Association.

Section 16. "HUD" shall mean and refer to the U.S. Department of Housing and Urban Development.

Section 17. "Institutional Lender" shall mean and refer to the owner and holder of a mortgage encumbering a Lot, commercial property, membership recreational facilities or a residential Dwelling, which owner and holder of said mortgage shall be any federally or state

chartered bank, insurance company, HUD or VA or FHA approved mortgage lending institution, FNMA, GNMA, recognized pension fund investing in mortgages, and any federally or state chartered savings and loan association or savings bank.

Section 18. "Institutional Mortgage" shall mean and refer to any mortgage given or held by an Institutional Lender.

Section 19. "Interpretation" Unless the context otherwise requires, the use herein of the singular shall include the plural and vice versa; the use of one gender shall include all genders; and the use of the term "including" shall mean "including without limitation". The headings used herein are for indexing purposes only and shall not be used as a means of interpreting or construing the substantive provisions hereof.

Section 20. "Lot" shall mean and refer to the least fractional part of the subdivided lands within any duly recorded plat of any subdivision which prior to or subsequently to such platting is made subject hereto and which has limited fixed boundaries and an assigned number, letter or other name through which it may be identified; provided, however, that "Lot" shall not mean any Common Area.

Section 21. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation. The term "Owner" shall include Declarant for so long as Declarant shall hold title to any Lot.

Section 22. "Parcel" shall mean and refer to any part of the Properties other than the Common Area, Lots, Dwellings, streets and roads, and land owned by the Association, or a governmental body or agency or public utility company, whether or not such Parcel is developed or undeveloped, and without regard to the use or proposed use of such Parcel. Any Parcel, or part thereof, however, for which a subdivision plat has been filed of record shall, as to such portions, cease being a Parcel, or part thereof, and shall become Lots.

Section 23. "Plat" shall collectively and individually mean and refer to each and all of the plats recorded in the public records of Polk County, Florida and made subject to the Declaration This definition shall be all inclusive of all of the Properties, and shall be deemed to automatically be amended to include the plat of each additional said Tract and phase of The Lakes II, as such Tract or phase is recorded in the public records of Polk County, Florida, without the necessity of any amendment hereto. The initial Tract submitted to use and occupation, subject to this said Declaration of Covenants, Conditions and Restrictions, is Tract 4, The Lakes, Plat Book 146, pages 1 and 2, public records of Polk County, Florida.

Section 24. "Properties" shall mean and refer to that certain real property described on attached Exhibit "A-1", which is submitted herewith as being part of and constituting The Lakes II. Described in attached **Exhibit "A-2"** are other properties owned by the Declarant which

may, or may not, be included for future development within The Lakes II at the option of the Declarant. Declarant further reserves the right to add other lands to this said development, so long as the same are contiguous to prior lands submitted to this development, or have common facilities. As and when added, the same shall become part of the Properties, and shall for all purposes be part of The Lakes II, and made subject to all of the Covenants, Conditions and Restrictions created by the Declaration. No consent or approval from the Association, or any of the Owners, other than the Declarant, shall be required for submission of additional lands to The Lakes II, and upon recording a plat, the Declarant will sign a Submission Statement, signed with the formalities of a deed required by the State of Florida, submitting said additional lands to The Lakes II, and together with the recorded plat, the same shall thereafter be part of The Lakes II.

Section 25. "VA" shall mean and refer to the Veterans Administration.

ARTICLE II – PURPOSE

Section 1. Operation, Maintenance and Repair of Common Area. The Declarant, in order to insure that the Common Area and other land for which it is responsible hereunder will continue to be maintained in a manner that will contribute to the comfort and enjoyment of the Owners and provide for other matters of concern to them, has organized the Association. The purpose of the Association shall be to operate, maintain and repair the Common Area, and any improvements thereon, including, but not limited to any Surface Water Management System (hereinafter referred to as "SWMS"), lakes, retention areas, culverts and/or related appurtenances which may be located within the Properties, except for the swales located on each Lot, which maintenance shall be the responsibility of the respective Owner; to maintain the decorative entranceways to the Properties; to maintain and repair the exterior surface of certain walls and fences, if any, bordering the Properties and bordering the streets within the Properties; to maintain and repair any irrigation facilities servicing land which the Association is obligated to maintain; to pay for the costs of street lighting for Common Areas, streets within the Properties, or other areas designated by the Board of Directors, and take such other action as the Association is authorized to take with regard to the Properties pursuant to its Articles of Incorporation and By-Laws, or this Declaration.

Section 2. Expansion of Common Area. Additions to the Common Area may be made in accordance with the terms of Article VII of this Declaration. The Declarant shall not be obligated, however, to make any such additions. Any and all such additions to the Common Area by Declarant must be accepted by the Association and such acceptance shall be conclusively presumed by the recording of a deed in the Public Records of Polk County by or on behalf of Declarant for any such Common Areas or the designation of such Common Areas on a plat duly recorded for any portion of the Properties. The Association shall be required, upon request of Declarant, to execute any documents necessary to evidence the acceptance of such Common Areas.

Section 3. Boundary Walls. The Declarant may construct a border wall along all or

part of some or all of the publicly dedicated arterial and collector streets within the Properties or streets bounding its perimeter. Such walls (the "Boundary Walls") may be constructed either on dedicated rights of way, Common Areas or the Lots, or other land of Owners adjacent to such rights of way. Whether or not located on Common Areas, the Association shall maintain and repair at its expense such Boundary Walls, if any.

Section 4. Easement for Maintenance. The Declarant hereby reserves to itself and grants to the Association, its agents and contractors a non-exclusive perpetual easement as to all land adjacent to streets within the Properties or streets bounding the perimeter thereof to the extent reasonably necessary to discharge the duties of Boundary Wall maintenance under this Declaration. Such right of entry shall be exercised in a peaceful and reasonable manner at reasonable times upon reasonable notice whenever the circumstances permit. The Declarant also hereby reserves for itself and the Association, and its and their grantees, successors, legal representatives and assigns, an easement for ingress and egress to, over and across the Properties for the purpose of exercising its and their rights and obligations under this Declaration.

Section 5. Reciprocal Easements. There shall be reciprocal appurtenant easements between the lands adjacent to either side of a Boundary Wall for lateral and subjacent support, and for encroachments caused by the unwillful placement, settling and shifting of any such walls as constructed, repaired or reconstructed.

Section 6. Irrigation. The Declarant may, but shall not be obligated to install irrigation and sprinkling equipment on Common Area, or within landscaped rights of way which the Association is obligated to maintain under this Declaration. The Association shall be obligated to maintain, operate, replace and repair such irrigation and sprinkling equipment at its own expense and such shall be a Common Expense.

ARTICLE III - PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment. Every Owner shall have a right and non-exclusive easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) The right of the Association from time to time in accordance with its Bylaws to establish, modify, amend and rescind reasonable rules and regulations regarding use of the Common Area;

(b) The right of the Association to charge reasonable admission and other fees for use of any facilities situated upon the Common Area;

(c) The right of the Association to suspend the voting rights and right to use of the Common Area by an Owner for any period during which any regular annual assessment levied under this Declaration against his Lot remains unpaid for a period in

excess of ninety (90) days, and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations;

(d) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility as provided by its Articles;

(e) The right of the Association to grant easements as to the Common Area or any part thereof as provided by its Articles; and

(f) The right of the Association to otherwise deal with the Common Area as provided by its Articles.

Section 2. Delegation of Use. Any Owner may delegate, in accordance with the Bylaws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers provided the foregoing actually reside at the Owner's Lot.

Section 3. Prohibition of Certain Activities. No damage to, or waste of, the Common Area or any part thereof, shall be committed by any Owner or any tenant or invitee of any Owner. No noxious, destructive or offensive activity shall be permitted on or in the Common Area or any part thereof, nor shall anything be done thereon which may be or may become an unreasonable annoyance or nuisance to any other Owner. No Owner may maintain, treat, landscape, sod, or place or erect any improvement or structure of any kind on the Common Area without the prior written approval of the Board of Directors.

Section 4. Signs Prohibited. No sign of any kind shall be displayed in or on the Common Area without the prior written consent of the Board. This Section, however, shall not apply to the Declarant.

Section 5. Animals. No animals shall be permitted on or in the Common Area at any time except as may be provided in the Rules and Regulations of the Association.

Section 6. Rules and Regulations. No Owner or other permitted user shall violate the reasonable Rules and Regulations for the use of the Common Area, as the same are from time to time adopted by the Board, said Rules and Regulations are specifically incorporated herein and made a part hereof by reference.

Section 7. Title to Common Area. The Declarant shall convey title to any Common Area subject to such easements, reservations, conditions and restrictions as may then be of record.

Section 8. Easements Reserved in Common Area. The Declarant hereby reserves unto itself, its successors and assigns, whether or not expressed in the deed thereto, the right to grant easements over any of the Common Area for the installation, maintenance, replacement and repair of drainage, water, sewer, electric and other utility lines and facilities, provided such

easements benefit land which is or will become part of the Properties. The Declarant shall further have the right, but without obligation, to install drainage, as well as water, sewer and other utility lines and facilities in, on, under and over the Common Area, provided such lines and facilities benefit land which is or will be within the Properties. The Association shall join in or separately execute any easements for the foregoing purposes which the Declarant shall direct or request from time to time.

Section 9. Easement for Lateral and Subjacent Support. There shall be an appurtenant easement between lands adjacent to the other side of a structure's wall for lateral and subjacent support and for encroachments caused by placement, settling and shifting of any such walls as constructed or reconstructed.

Section 10. Surface Water Management Systems. Lakes and Wet Retention Ponds. The Association shall be responsible for maintenance of all SWMS, ditches, canals, lakes, and water retention ponds in the Properties, with the exception of the swales located on any Owner's Lot. Each Owner shall be responsible for the maintenance of the portion of the swale located on such Owner's Lot, and such maintenance shall be at such Owner's sole expense. All SWMS within the Properties which are accepted by or constructed by the Association, excluding those areas (if any) normally maintained by Polk County or another governmental agency, or an Owner, will be the ultimate responsibility of the Association, which may enter any portion of the Common Areas and make whatever alterations, improvements or repairs that are deemed necessary to provide or restore property water management. The cost shall be a Common Expense. Nothing in this Section shall be construed to allow any person to construct any new water management facility, or to alter any storm management systems or conservation areas, without first obtaining the necessary permits from all governmental agencies having jurisdiction, including the Association. In the event an Owner fails to maintain such Owner's portion of the swale, the Association, or its agents may enter upon such Owner's Lot to perform such maintenance, and the cost of such maintenance shall become a lien upon such Owner's Lot as set forth in Article VI, Section 9 and Section 14 of this Declaration. The following additional provisions shall apply:

(a) No structure of any kind (including docks) shall be constructed or erected in or on, nor shall an Owner in any way change, alter, impede, revise or otherwise interfere with the flow or volume of water in any portion of any water management area, including, but not limited to, lakes, ponds, swales, drainage ways, or wet retention ponds or areas intended for the accumulation of runoff waters, without the specific written permission of the Association.

(b) No Owner or other person or entity shall unreasonably deny or prevent access to water management areas for maintenance, repair, or landscaping purposes by Declarant, the Association, or any appropriate governmental agency that may reasonably require access. Nonexclusive easements therefor are hereby specifically reserved and created.

(c) No Lot, Parcel or Common Area shall be increased in size by filling in any lake, pond or other water retention or drainage areas which it abuts. No person shall fill, dike, rip-rap, block, divert or change the established water retention and drainage areas that have been or may be created without the prior written consent of the Association. No person other than the Declarant or the Association may draw water for irrigation or other purposes from any lake, pond or other water management area, nor is any boating, swimming, or wading in such areas allowed.

(d) All SWMS and conservation areas, excluding those areas (if any) maintained by Polk County or another governmental agency, will be the ultimate responsibility of the Association. The Association may enter any Lot, Parcel or Common Area and make whatever alterations, improvements or repairs are deemed necessary to provide, maintain, or restore proper SWMS. The cost shall be a Common Expense. NO PERSON MAY REMOVE NATIVE VEGETATION THAT MAY BECOME ESTABLISHED WITHIN THE CONSERVATION AREAS, IF ANY. "REMOVAL" INCLUDES DREDGING, APPLICATION OF HERBICIDE, PULLING AND CUTTING.

(e) Nothing in this Section shall be construed to allow any person to construct any new water management facility, or to alter any SWMS or conservation areas, without first obtaining the necessary permits from all governmental agencies having jurisdiction, including Southwest Florida Water Management District ("SWFWMD"), the Association and the Declarant, its successors and assigns.

Section 11. Proviso. Notwithstanding any other provision in this Declaration, no amendment of the governing documents by any person, and no termination or amendment of this Declaration, will be effective to change the Association's responsibilities for the SWMS or any conservation areas, unless the amendment has been consented to in writing by SWFWMD. Any proposed amendment which would affect the SWMS or any conservation areas must be submitted to SWFWMD for a determination of whether the amendment necessitates a modification of the surface water management permit. If the Association ceases to exist, all the Owners shall be jointly and severally responsible for operation and maintenance of the SWMS facilities in accordance with the requirements of the Environmental Resource Permit, unless and until an alternate entity assumes responsibility. SWFWMD shall have the right to take enforcement measures, including a civil action for injunction and/or to compel the correction of any outstanding problems with the SWMS facilities.

Section 12. Provision for Budget Expense. In the event the Properties have on site wetland mitigation as defined in the regulations which requires monitoring and maintenance, the Association shall include in its budget an appropriate allocation of funds for monitoring and maintenance of the wetland mitigation area(s) each year until SWFWMD determines that the area(a) is successful in accordance with the Environmental Resource Permit.

ARTICLE IV - MEMBERSHIP AND VOTING RIGHTS

Section 1. Voting Rights. Every Owner of a Lot which is subject to assessment shall be a member of the Association, subject to and bound by the Association's Articles of Incorporation, Bylaws, Rules and Regulations, and this Declaration. The foregoing does not include persons or entities who hold a leasehold interest or an interest merely as security for the performance of an obligation. Ownership, as defined above, shall be the sole qualification for membership. When any Lot is owned of record by two or more persons or other legal entity, all such persons or entities shall be members, but the vote of such multiple owners shall be limited as set forth below. An Owner of more than one Lot shall be entitled to one membership for each Lot owned. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment, and it shall be automatically transferred by conveyance of that Lot. The Declarant shall be a member so long as it owns one or more Lots.

Section 2. Membership Classifications. The Association shall have two classes of voting membership, Class A, and Class B. All votes shall be cast in the manner provided in the Bylaws. The two classes of voting memberships, and voting rights related thereto, are as follows:

(a) Class A. Class A members shall be all Owners of Lots subject to assessment; provided, however, so long as there is Class B membership the Declarant shall not be a Class A member. When more than one person or entity holds an interest in any Lot, the vote for such Lot shall be exercised as such persons determine, but in no event shall more than the number of votes hereinafter designated be cast with respect to such Lot nor shall any split vote be permitted with respect to such Lot. Every Owner of a Lot within the Properties, who is a Class A member, shall be entitled to one (1) vote for that Lot.

(b) Class B. The Class B member of the Association shall be the Declarant until such Class B membership is converted to Class A at Declarant's option or as hereinafter set forth. Class B Lots shall be all Lots, owned by the Declarant which have not been converted to Class A as provided below. The Declarant shall be entitled to five (5) votes for each Class B Lot which it owns.

(c) Termination of Class B. From time to time, Class B membership may cease and be converted to Class A membership, and any Class B Lots then subject to the terms of this Declaration shall become Class A Lots upon the happening of any of the following events, whichever occurs earliest:

- (i) Three (3) months after ninety (90%) of the Lots are conveyed to Owners, other than Declarant; or
- (ii) On December 31, 2025; or
- (iii) When the Declarant waives in writing its right to Class B membership; or

- (iv) As to the individual lots, when the Declarant sells a Class B Lot to a third party purchaser and transfers said interest by deed to such purchaser.

Notwithstanding the foregoing, if at any time or times subsequent to any such conversion, additional land is added by the Declarant pursuant to Article X hereof, such additional land shall automatically be and become Class B Lots. In addition, if following such addition of land, the total votes allocable to all Lots then owned by the Declarant (calculated as if all such Lots are Class B, whether or not they are) shall exceed the remaining total votes outstanding in the remaining Class A membership (i.e., excluding the Declarant), then any Class A Lots owned by the Declarant shall automatically be reconverted to Class B. Any such reconversion shall not occur, however, if either occurrence (ii) or (iii) above shall have taken place.

ARTICLE V - RIGHTS AND OBLIGATIONS OF THE ASSOCIATION

Section 1. Responsibilities. The Association, subject to the rights of the Owners set forth in this Declaration, shall be responsible for the exclusive management and control of the Common Area, and shall keep the same in good, clean and proper condition, order and repair. The Association shall also maintain and care for the land designated in Article II hereof, in the manner therein required. The Association shall be responsible for the payment of all costs, charges and expenses incurred in connection with the operation, administration and management of the Common Area, and performance of its other obligations hereunder.

Section 2. Manager. The Association may obtain, employ and pay for the services of an entity or person, hereinafter called the "Manager", to assist in managing its affairs and carrying out its responsibilities hereunder to the extent it deems advisable, as well as such other personnel as the Association shall determine to be necessary or desirable, whether such personnel are furnished or employed directly by the Association or by the Manager. Any management agreement must be terminable for cause upon thirty (30) days notice, be for a term not to exceed three (3) years, and be renewable only upon mutual consent of the parties.

Section 3. Personal Property for Common Use. The Association may acquire and hold tangible and intangible personal property and may dispose of the same by sale or otherwise, subject to such restrictions, if any, as may from time to time be provided in the Association's Articles or Bylaws.

Section 4. Insurance. The Association at all times shall procure and maintain adequate policies of public liability insurance, as well as other insurance that it deems advisable or necessary. The Association additionally shall cause all persons responsible for collecting and disbursing Association moneys to be insured or bonded with adequate fidelity insurance or bonds.

Section 5. Implied Rights. The Association may exercise any other right or privilege

given to it expressly by this Declaration, its Articles or Bylaws, or by law and every other right or privilege reasonably implied from the existence of any right or privilege granted herein or therein or reasonably necessary to effectuate the exercise of any right or privileges granted herein or therein.

Section 6. Common Expense. The expenses and costs incurred by the Association in performing the rights, duties, and obligations set forth in this Article, are hereby declared to be Common Expenses and shall be paid by Class A members. All expenses of the Association in performing its duties and obligations or in exercising any right or power it has under this Declaration, the Articles of Incorporation or the Bylaws are deemed to be and are hereby Common Expenses. Common Expenses shall be borne by Class A members.

Section 7. Suspension of Use Rights; Levy of Fines. The Association may suspend for a reasonable period of time the rights of an Owner or an Owner's tenants, guests, or invitees, or both, to use the Common Areas and facilities and may levy reasonable fines, not to exceed One Hundred and no/100 Dollars (\$100.00) per violation per day for each day of a continuing violation not to exceed One Thousand and no/100 Dollars (\$1,000.00) in the aggregate, against any Owner or any tenant, guest or invitee for failure to comply with the provisions of this Declaration, the Articles, Bylaws or rules and regulations promulgated by the Association. A fine or suspension may be imposed only after giving such Owner, tenant, guest or invitee at least fourteen (14) days written notice and an opportunity for a hearing before a committee of at least three (3) members of the Association appointed by the Board of Directors who are not officers, directors, or employees of the Association, or the spouse, parent, child, brother, or sister of an officer, director or employee. The committee must approve a proposed fine or suspension by a majority vote. No suspension of the right to use the Common Area shall impair the right of an Owner or Owner's tenant to have vehicular ingress to and egress from such Owner's Lot, including, but not limited to, the right to park.

ARTICLE VI - COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation for Assessments. The Declarant, for each Lot within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed or other conveyance thereto, whether or not it shall be so expressed in such deed or conveyance, is deemed to covenant and agrees to pay to the Association: (1) annual assessments or charges and charges for Common Expenses; and (2) special assessments or charges against a particular Lot as may be provided by the terms of this Declaration. Such assessments and charges, together with interest, costs and reasonable attorney's fees, shall be a charge on the land and shall be a lien upon the property against which such assessment is made. Each such assessment or charge, together with interest, costs, and reasonable attorney's fees shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due.

Section 2. Purpose of Assessments. The assessments levied by the Association shall

be used to promote the recreation, health, safety, and welfare of the residents of the Properties, and for the improvement and maintenance of the Common Area and the carrying out of the other responsibilities and obligations of the Association under this Declaration, the Articles and the Bylaws. Without limiting the generality of the foregoing, such funds may be used for the acquisition, improvement and maintenance of Properties, services and facilities related to the use and enjoyment of the Common Area, including the costs of repair, replacement and additions thereto; the cost of labor, equipment, materials, management and supervision thereof; the payment of taxes and assessments made or levied against the Common Area; the procurement and maintenance of insurance; the employment of attorneys, accountants and other professionals to represent the Association when necessary or useful; the maintenance, landscaping and beautification of the Common Area and such public lands as may be designated by the Declarant or the Association; the maintenance, repair and replacement of Boundary Walls required or permitted to be maintained by the Association; the employment of security personnel to provide services which are not readily available from any governmental authority; and such other needs as may arise. There are no reserves for capital expenses, and the Association may adopt an assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 3. Initial Assessment and Maximum Annual Assessment for Common Expenses.

- (a) Initial Assessment. Upon the purchase and close of any Lot by an Owner, the buyer thereof shall pay a one-time, initial assessment of Three Hundred Seventy Five and No/100 (\$375.00) Dollars, which shall be in addition to any annual assessments and any special assessments. The Declarant shall be exempted from the payment of this initial assessment.
- (b) Annual Assessment. Until January 1st of the year immediately following the conveyance by the Declarant of the first Lot to an Owner, the maximum annual Common Expenses assessment per Lot shall be Three Hundred Seventy Five and No/100 (\$375.00) Dollars.
- (c) Standard Assessment. From and after January 1st of the year immediately following conveyance by the Declarant of the first Lot to an Owner, the initial assessment and the maximum annual assessment for Common Expenses as stated above may be increased each year not more than one hundred fifteen (115%) percent above the maximum assessment for the previous year without a vote of the Members.
- (d) Special Assessment. From and after January 1st of the year immediately following the conveyance by the Declarant of the first Lot to an Owner, the initial assessment and the maximum annual assessment for Common Expenses may be

increased above the increase permitted by subsection 3(c) above by a vote of two-thirds (2/3rds) of each class of Voting Members at a meeting duly called for this purpose.

(e) Duty of Board to Fix Amount. The Board of Directors may fix the initial assessment and the annual assessment for Common Expenses at an amount not in excess of the initial assessment and the maximum annual assessment established in this Section, so long as the same is not in excess of one hundred twenty (115%) percent of the prior year's annual assessment. The Board of Directors, when determining the assessments, shall also determine when the same shall be due and payable.

(f) Assessments due from Home Builder. Upon the purchase and close of any Lot by a Builder, or an Owner purchasing vacant Lot and hiring a Builder to construct, the Buyer thereof shall pay the initial assessment due in Section 3(a) above at closing, but during the first six (6) months from closing on the Lot, the Owner thereof shall only pay twenty-five (25%) percent of the standard or Annual Assessment(s).

Section 4. Special Assessment for Capital Improvements In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3rds) of the votes of the members who are voting in person or by proxy at a meeting duly called for this purpose.

(a) Class A. Class A members shall be all Owners of Lots subject to assessment; provided, however, so long as there is Class B membership the Declarant shall not be a Class A member. When more than one (1) person or entity holds an interest in any Lot, the vote for such Lot shall be exercised as such persons determine, but in no event shall more than the number of votes hereinafter designated be cast with respect to such Lot nor shall any split vote be permitted with respect to such Lot. Every Owner of a Lot within the Properties, who is a Class A member, shall be entitled to one (1) vote for that Lot.

(b) Class B. Class B members of the Association shall be the Declarant until such Class B membership is converted to Class A at Declarant's option or as hereinafter set forth. Class B Lots shall be all Lots, owned by the Declarant which have not been converted to Class A as provided below. The Declarant shall be entitled to five (5) votes for each Class B Lot which it owns.

(c) Termination of Class B. From time to time, Class B membership may cease and be converted to Class A membership, and any Class B Lots then subject to the terms of this Declaration shall become Class A Lots upon the happening of any of the following events, whichever occurs earliest:

(i) Three (3) months after ninety (90%) percent of the Lots are conveyed to

Owners, other than Declarant; or

(ii) On December 31, 2025; or

(iii) When the Declarant waives in writing its right to Class B membership; or

(iv) As to individual Lots, when the Declarant sells a Class B Lot to a third party purchaser and transfers said interest by deed to such purchaser.

Notwithstanding the foregoing, if at any time or times subsequent to any such conversion, additional land is added by the Declarant pursuant to Article X hereof, such additional land shall automatically be and become Class B Lots. In addition, if following such addition of land, the total votes allocable to all Lots then owned by the Declarant (calculated as if all such Lots are Class B, whether or not they are) shall exceed the remaining total votes outstanding in the remaining Class A membership (i.e., excluding the Declarant), then any Class A Lots owned by the Declarant shall automatically be reconverted to Class B. Any such reversion shall not occur, however, if either occurrence (ii) or (iii) above shall have taken place.

Section 5. Notice of Meeting and Quorum for Any Action Authorized Under Sections 3 and 4. Written notice of any members meeting called for the purpose of taking any action authorized under Section 3 and 4 of this Article shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting or posted or delivered as otherwise authorized by law. At such meeting, the presence of members or of proxies entitled to cast a majority of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be the presence of members or of proxies entitled to cast one-third (1/3) of all the votes of each class of membership. No subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 6. Declarant's Common Expenses Assessment. Notwithstanding any provision of this Declaration or the Association's Articles or Bylaws to the contrary, as long as there is Class B membership in the Association, the Declarant guarantees that the assessments shall not exceed the amounts stated in Section 3(e) above, and during such guarantee it shall not be obligated for, nor subject to any annual assessment for any Lot which it may own, provided Declarant shall be responsible for paying the difference between the Association's expenses of operation otherwise to be funded by annual assessments and the amount received from Owners, other than the Declarant, in payment of the annual assessments levied against their Class A Lots. Such difference shall be called the "deficiency", and shall not include any reserve for replacements, operating reserve, depreciation reserves, capital expenditures or special assessments. The Declarant may at any time, give thirty (30) days prior written notice to the Association terminating its responsibility for the deficiency, and waiving its right to exclusion from annual assessments. Upon giving such notice, or upon termination of Class B membership, whichever is sooner, each Lot owned by Declarant shall thereafter be assessed at twenty-five

percent (25%) of the annual assessment established for Lots owned by Class A members other than Declarant. As each Lot is sold or leased by Declarant as herein provided, assessments for that Lot shall go to one hundred (100%) percent commencing with the transfer. Declarant shall not be responsible for any reserve for replacements, operating reserves, depreciation reserves, capital expenditures or special assessments. Such assessment shall be prorated as to the remaining months of the year, if applicable. Declarant shall be assessed only for Lots which are subject to the operation of this Declaration. Upon transfer of title of a Lot owned by Declarant, the Lot shall be assessed in the amount established for Lots owned by Owners other than the Declarant, prorated as of and commencing with, the month following the date of transfer of title. Notwithstanding the foregoing, any Lots from which the Declarant derives any rental income, or holds an interest as mortgagee or contract Seller, shall be assessed at the same amount as Lots owned by Owners other than the Declarant, prorated as of and commencing with, the month following the execution of the rental agreement or mortgage, or the contract purchaser's entry into possession as the case may be. The Declarant initially guarantees that the budget shall not exceed the amount set forth in Section 3(e) above for a period of two (2) years from the date of recording of this said Declaration, and the guarantee shall automatically renew in six (6) month intervals thereafter until such time as the Declarant shall, in writing, advise the Association that the guarantee has been withdrawn and is of no further force and effect, at which time the Declarant shall pay on Lots owned by it as herein provided.

Section 7. Exemption from Assessments. The assessments, charges and liens provided for or created by this Article VI shall not apply to the Common Area or any other Homeowner's Association, any property dedicated to and accepted for maintenance by a public or governmental authority or agency, any property owned by a public or private utility company or public or governmental body or agency, and any property owned by a charitable or non-profit organization.

Section 8. Date of Commencement of Annual Assessments: Due Dates. The annual assessments for Common Expenses shall commence as to all Lots subject thereto upon the conveyance of the first lot from the Declarant to its purchaser. The Board of Directors shall fix the amount of the annual assessment for Common Expenses against each Lot not later than December 1 of each calendar year for the following calendar year. Written notice of the annual assessment for Common Expenses shall be sent to every Owner subject hereto. Unless otherwise established by the Board of Directors, annual assessments for Common Expenses shall be collected on an annual basis. The due date for special assessments shall be as established by the Board of Directors.

Section 9. Lien for Assessments. All sums assessed to any Lot pursuant to this Declaration, including those owned by the Declarant, together with interest and all costs and expenses of collection, including reasonable attorney's fees, shall be secured by a continuing lien on such Lot in favor of the Association.

Section 10. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the date of

delinquency at the maximum rate allowed by law. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the Lot. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area, or abandonment of his Lot.

Section 11. Foreclosure. The lien for sums assessed pursuant to this Declaration may be enforced by judicial foreclosure by the Association in the same manner in which mortgages on real property may be foreclosed in Florida. In any such foreclosure, the Owner shall be required to pay all costs and expenses of foreclosure, including reasonable attorney's fees. All such costs and expenses shall be secured by the lien being foreclosed. The Owner shall also be required to pay to the Association any assessments against the Lot which shall become due during the period of foreclosure, and the same shall be secured by the lien foreclosed and accounted for as of the date the Owner's title is divested by foreclosure. The Association shall have the right and power to bid at the foreclosure or other legal sale to acquire the Lot foreclosed, and thereafter to hold, convey, lease, rent, encumber, use and otherwise deal with the same as the owner thereof.

Section 12. Homestead. By acceptance of a deed thereto, the Owner and spouse thereof, if married, of each Lot shall be deemed to have waived any exemption from liens created by this Declaration or the enforcement thereof by foreclosure or otherwise, which may otherwise have been available by reason of the homestead exemption provisions of Florida law, if for any reason such are applicable. This Section is not intended to limit or restrict in any way the lien or rights granted to the Association by this Declaration, but to be construed in its favor.

Section 13. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage which is given to or held by an Institutional Lender, or which is guaranteed or insured by the FHA or VA. The sale or transfer of any Lot pursuant to foreclosure of such a first mortgage or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof. The Association shall, upon written request, report to any such first mortgagee of a Lot any assessments remaining unpaid for a period longer than thirty (30) days after the same shall have become due, and shall give such first mortgagee a period of thirty (30) days in which to cure such delinquency before instituting foreclosure proceedings against the Lot; provided, however, that such first mortgagee first shall have furnished to the Association written notice of the existence of its mortgage, which notice shall designate the Lot encumbered by a proper legal description and shall state the address to which notices pursuant to this Section are to be given. Any such first mortgagee holding a lien on a Lot may pay, but shall not be required to pay, any amounts secured by the lien created by this Article VI. Mortgagees are not required to collect assessments.

Section 14. Special Assessment for Maintenance Obligations of Owners. In the event an Owner obligated to maintain, replace or repair a Boundary Wall, or portion thereof, or the portion of the swale located on such Owner's Lot pursuant to this Declaration shall fail to do so,

or should an Owner fail to perform any maintenance, repair or replacement required under the terms of this Declaration, the Association, upon ten (10) days prior written notice sent certified or registered mail, return receipt requested, or hand delivered, may have such work performed, and the cost thereof shall be specially assessed against such Lot, which assessment shall be secured by the lien set forth in Section 9 of this Article VI.

Section 15. Certificate of Amounts Due. The Association shall upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot shall be binding upon the Association as of the date of issuance.

Section 16. Cable Television. Declarant may, but shall not be obligated to, coordinate and establish an agreement with one or more cable television service companies for the provision of cable television services to the community and all Dwellings included therein. If such an agreement is established, the fees for the cable television service payable to the service provider shall be a common expense payable by the Association and shall be included within the annual budget for which the assessments are levied each year. No Owner may avoid or escape liability for any portion of the assessments by election not to utilize the cable television service.

Section 17. Visual Security. Declarant may, but shall not be obligated to, coordinate and establish an agreement with one or more cable television service companies for the provision of a visual security service channel to the community and all Dwellings included therein. If such agreement is established, the fees for the visual security service channel payable to the service provider shall be a common expense payable by the Association and shall be included within the annual budget for which the assessments are levied each year. No Owner may avoid or escape liability for any portion of the assessments by election not to utilize the visual security service channel.

Section 18. Community Bulletin Board. Declarant may, but shall not be obligated to coordinate and establish an agreement with one or more cable television service companies for the provision of a community bulletin board channel to the community and all Dwellings included therein. If such agreement is established, the fees for the community bulletin board channel payable to the service provider shall be a common expense payable by the Association and shall be included within the annual budget for which the assessments are levied each year. No Owner may avoid or escape liability for any portion of the assessments by election not to utilize the community bulletin board channel.

ARTICLE VII - HUD AND VA APPROVAL

Section 1. General Plan of Development. The Declarant has on file at the City of Lake Alfred a copy of the general plan of development (the "General Plan") for the land which is subject to this Declaration, showing a general indication of the size and location of

developments, the approximate size and location of Common Area, if any; and the general nature of any proposed Common Area facilities and improvements, if any. Such General Plan shall not bind the Declarant to make any such Common Areas or adhere to the General Plan. Such General Plan may be amended or modified by the Declarant, in whole or in part, at any time, or discontinued, in the sole discretion of the Declarant. As used herein, the term "General Plan" shall mean such general plan of development together with any amendments or modifications thereof hereafter made.

Section 2. HUD, FHA or VA Approval. As long as there is a Class B member, the following actions will require the prior approval of HUD or FHA or VA:

- (a) Dedication of additional Common Areas;
- (b) Amendment of the Articles of Incorporation of the Association;
- (c) Amendment of the Bylaws of the Association;
- (d) Dissolution of the Association;
- (e) Amendment of this Declaration; and
- (f) Annexation of additional properties.

Such approval need not be evidenced in writing and the recording, filing or dedication, as appropriate, shall be presumed to have such approval when made.

Section 3. Acceptance of Land. In the event that the Declarant conveys, from time to time, any portion or portions of the real property contained within the real property described in Exhibit "A-1" attached hereto to the Association, the Association is irrevocably bound to accept such conveyance.

ARTICLE VIII - USE RESTRICTIONS

Section 1. Residential Use. All of the Property shall be known and described as residential property and no more than one detached, single-family Dwelling may be constructed on any Lot, except that more than one Lot may be used for one Dwelling, in which event, all restrictions shall apply to such Lots as if they were a single Lot, subject to the easements indicated on the Plat and the easement reserved in Section 4 of this Article.

Section 2. Structures. No Structure shall be erected nearer than twenty (20) feet from a Front Street Line or Side Street Line. No Structure shall be erected nearer than seven and one-half (7 1/2) feet from a Side Yard Line or nearer than fifteen (15) feet from a Rear Yard Line. A swimming pool may not be located in the Front Yard of any Lot. The terms "Structure", "Street Line", and "Front Yard", shall have the meanings ascribed by the City of Lake Alfred Zoning Regulations in effect as of the date of the recording of this Declaration; provided, however, the term "Structure" shall not include a fence. Above ground swimming pools are prohibited.

Section 3. Dwelling. No Dwelling shall have a floor square foot area of less than One-Thousand Two Hundred (1,200) square feet, exclusive of screened area, open porches,

terraces, patios and garages. All Dwellings shall have at least one (1) inside bath. A "bath", for the purposes of this Declaration, shall be deemed to be a room containing at least one (1) shower or tub, and a toilet and wash basin. All Dwellings shall have at least a one (1) car garage attached to and made part of the Dwelling. No Dwelling shall exceed two and one-half (2 1/2) stories nor thirty-five (35) feet in height. All Dwellings shall be constructed with concrete driveways and grassed front, side and rear lawns, provided that Lot areas designated on the Plat for drainage easement purposes need not be grassed. Each Dwelling shall have a shrubbery planting in front of the Dwelling.

Section 4. Easements.

(a) Perpetual easements for the installation and maintenance of utilities and drainage areas are hereby reserved to Declarant, Association and the City of Lake Alfred in and to all utility easement and drainage easement areas shown on the Plat (which easements shall include, without limitation, the right of reasonable access over Lots to and from the easements areas), and Declarant, Association and Polk County each shall have the right to convey such easements on an exclusive or non-exclusive basis to any person, corporation or governmental entity. Neither the easement rights reserved pursuant to this Section or as shown on the Plat shall impose any obligation on Declarant to maintain such easement areas, nor to install or maintain the utilities or improvements that may be located on, in or under such easements, or which may be served by them. Within easement areas, no structure, planting, or other material shall be placed or permitted to remain which may damage or interfere with access to or the installation of the use and maintenance of the easement areas or any utilities or drainage facilities, or which may change the direction of flow or obstruct or retard the flow of drainage water in any easement areas, or which may reduce the size of any water retention areas constructed by Declarant in such easement areas. The easement areas of each Lot, whether as reserved hereunder or as shown on the Plat, and all improvements in such easement areas shall be maintained continuously by the Owner of the Lot upon which such easement exists, except for those improvements for which a public authority or utility company is responsible. With regard to specific easements for drainage shown on the Plat, the Declarant shall have the right, without any obligation imposed thereby, to alter or maintain drainage facilities in such easement areas, including slope control areas.

(b) The Declarant may designate certain areas of the Properties as "Drainage Easements" on the final plat. No permanent improvements or structures shall be placed or erected upon the Drainage Easements. In addition, no fences, driveways, pools and decks, patios, air conditioners, any impervious surface improvements, utility sheds, sprinkler systems, trees, shrubs, hedges, plants or any other landscaping element other than sod shall be placed or erected upon or within such Drainage Easements. This Paragraph shall not apply to Declarant if such improvements by it are approved by the City of Lake Alfred.

(c) The Declarant, for itself and its successors and assigns and for the

Association hereby reserves an easement five (5) feet wide running along the rear or side lot line, as the case may be, of any Lot which is parallel to and adjacent to any arterial and/or collector roads and streets for the purpose of construction of a privacy wall or fence and name monuments for the Properties. The Declarant shall not, however, be obligated to construct such wall, fence or monument. Once such wall or fence or monuments, or both, have been erected, if any, the Association shall have the obligation, at the Association's expense, which shall be a Common Expense, to maintain, repair and replace the exterior portions of such wall or fence and monuments in a neat and aesthetic condition. It shall be the obligation of the Lot Owner whose Lot abuts such portion of the wall or fence to paint and otherwise maintain the surface of the wall or fence. The level of maintenance and repair as well as color of paint shall be consistent with the level of maintenance and repair and color applied to the exterior surfaces of such wall, fence or monument. The Declarant hereby grants the Association a non-exclusive perpetual easement as to all Lots to the extent necessary to permit the Association to undertake such boundary wall maintenance and painting as it may be responsible for pursuant to this Declaration. Lot Owners other than Declarant shall not alter or modify such boundary wall, including, without limitations the color of such boundary wall. The responsibility of a Lot Owner for maintenance, repair or painting of a wall or fence pursuant to this Article shall not be affected by the fact that the wall or fence is located partially on his Lot and partially on the abutting right-of-way, or Common Area, as the case may be. In such event, for the purpose of the Lot Owners' obligation hereunder, such wall or fence will be deemed located entirely within the Lot boundary. If an Owner shall fail to undertake any maintenance, repair, upkeep or painting pursuant to this Article VIII, then the Declarant or the Association, after giving such Owner at least ten (10) days written notice, shall be authorized, but shall not be obligated, to undertake such work at the Owner's expense. Entry upon an Owner's Lot for such purpose shall not constitute a trespass. If such work is undertaken by the Association, the charge therefor shall be specially assessed against the Lot and secured by a lien thereon as provided by Section 14 of Article VI. The specific rights granted by this Section are in addition to, and not exclusive of, those rights or remedies which may be otherwise available to the Association, or other parties.

(d) Association and Owners consent hereby to an easement for utilities, including but not limited to telephone, gas, water and electricity, sanitary sewer service, and irrigation and drainage in favor of all lands which abut the Properties, their present Owners and their successors and assigns. The easement set forth in this Section shall include the right to "tie in", join and attach to the existing utilities, sanitary sewer service, irrigation and drainage in the Properties so as to provide access to these services to said abutting lands directly from the Properties.

(e) The Association shall have the right to create new easements for pedestrian and vehicular traffic and utility services across and through the Properties; provided, however, that the creation thereof does not adversely affect the use of any Lot.

(f) The creation of new easements as provided for in this Section shall not unreasonably interfere with ingress to and egress from a Lot or residence thereon.

(g) In the event that any structure or improvement on any Lot shall encroach upon any of the Common Areas or upon any other Lot for any reason other than the intentional or negligent act of the Owner, or in the event any Common Area shall encroach upon any Lot, then an easement shall exist to the extent of such encroachment for so long as the encroachment shall exist.

(h) Notwithstanding anything in this Section to the contrary, no easement granted by this Section shall exist under the outside perimetrical boundaries of any residential structure or recreational building originally constructed by the Declarant on any portion of the Properties.

Section 5. Use of Accessory Structures. Other than the Dwelling and its attached garage, no tent, shack, barn, utility shed or building shall, at any time, be erected and used on any Lot temporarily or permanently, whether as a residence or for any other purpose; provided, however, temporary buildings, mobile homes, or field construction offices may be used by Declarant and its agents in connection with construction work. No recreation vehicle may be used as a residence or for any other purpose on any of the Lots in the Properties.

Section 6. Commercial Uses and Nuisances. No trade, business, profession or other type of commercial activity shall be carried on upon any Lot, except as hereinafter provided for Declarant and except that real estate brokers, Owners and their agents may show Dwellings for sale or lease; nor shall anything be done on any Lot which may become a nuisance, or an unreasonable annoyance to the neighborhood. Every person, firm or corporation purchasing a Lot recognizes that Declarant, its agents or designated assigns, have the right to (i) use Lots or houses erected thereon for sales offices, field construction offices, storage facilities, general business offices, and (ii) maintain fluorescent lighted or spotlight furnished model homes in the Properties open to the public for inspection seven (7) days per week for such hours as are deemed necessary. Declarant's rights under the preceding sentence shall terminate on December 31, 2015, unless prior thereto Declarant has indicated its intention to abandon such rights by recording a written instrument among the Public Records of Polk County, Florida. It is the express intentions of this Section that the rights granted Declarant to maintain sales offices, general business offices and model homes shall not be restricted or limited to Declarant's sales activity relating to the Properties, but shall benefit Declarant in the construction, development and sale of such other property and Lots which Declarant may own.

Section 7. Animals. No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any Lot, except that cats, dogs, and other household pets may be kept provided they are not kept, bred, or maintained for any commercial purposes; provided further that no person owning or in custody of a dog or cat shall allow the dog or cat to stray or go upon another Lot without the consent of the Owner of such Lot; and provided further that no more than a total of two (2) animals may be kept on any Lot. Each dog or cat must be on a leash and in full

physical control by the Owner or Owner's family member at all times when the dog or cat is outside of the Owner's Dwelling. No pets shall be permitted to place or have excretions on any portion of the Property other than the Lot of the owner of the pet unless the owner of the pet physically removes any such excretions from that portion of the Property. Notwithstanding anything herein to the contrary, if any dog or cat permitted to be kept by an Owner shall become a nuisance to other Owners and such nuisance is not corrected after written notice to the Owner, the Board of Directors of the Association shall have the right to require the Owner to remove such animal permanently from the Properties.

Section 8. Fences, Walls and Hedges. No fence, wall or hedge shall be erected or permitted on a Lot in any location thereon where Declarant has erected a privacy fence or monument as provided in Subsection 4(c) of this Article. As to any fence, wall or hedge erected or maintained pursuant to this Paragraph, such fence, wall or hedge may be constructed or maintained to a height not to exceed six (6) feet; provided, however, that any fence, wall or hedge which abuts, runs along, intersects with or joins the boundary of any pond, lake, water body, or common area shall not exceed thirty-six (36) inches in height from the ground. Such fences shall only be made of cypress or other wood materials, or vinyl, and must be kept in good condition and repair. No fence, wall or hedge may be constructed or maintained between a Front Street Line and the Front Dwelling Line. Notwithstanding the foregoing, a decorative wall or entrance forward of the Front Dwelling Line or forward of a Side Dwelling Line fronting a Side Street Line shall be permitted if constructed at the same time as the original Dwelling on the Lot as part of the Dwelling's elevation or design. Construction or planting of any fence, wall or hedge must be approved in accordance with Article IX of this Declaration.

Section 9. Vehicles. No motor vehicles shall be parked on the Properties except on a paved or concrete driveway or in a garage.

Section 10. Storage. No Lot shall be used for the storage of rubbish. Trash, garbage or other waste shall not be kept except in sanitary containers properly concealed from public view.

Section 11. Clothes Hanging and Drying. All outdoor clothes hanging and drying activities shall be done in a manner so as not to be visible from any Front Street or Side Street or any adjacent or abutting property and are hereby restricted to the areas between the Rear Dwelling Line and the Rear Yard Line and, in the cases of Lots bordering a Side Street, to that portion of the aforescribed area which is not between the Side Street and the Side Dwelling Line. All clothes poles shall be capable of being lifted and removed by one (1) person in one (1) minute's time and shall be removed by the Owner when not in actual use for clothes drying purposes.

Section 12. Antennas and Roof Structures. No television, radio, or other electronic towers, aerials, antennas, satellite dishes or devices of any type for the reception or transmission of radio or television broadcasts or other means of communication shall hereafter be erected, constructed, placed or permitted to remain on any Lot or upon any improvements thereon, except that this prohibition shall not apply to those antennas specifically covered by 47 C.F.R. Part 1,

Subpart S, Section 1.4000 (or any successor provision) promulgated under the Telecommunications Act of 1996, as amended from time to time. The Association shall be empowered to adopt rules governing the types of antennas that are permissible hereunder and establishing reasonable, non-discriminatory restrictions relating to safety, location and maintenance of antennas. To the extent that reception of an acceptable signal would not be impaired, an antenna permissible pursuant to rules of the Association may only be installed in a side or rear yard location, not visible from the street or neighboring property, and integrated with the Dwelling and surrounding landscape. Antennas shall be installed in compliance with all state and local laws and regulations, including zoning, land use, and building regulations.

Section 13. Street Lighting. In accordance with Article I, Section 7 and Article II, Section 1, hereof, the cost of street lighting shall be a common expense of the Association.

Section 14. Lot and Dwelling Upkeep. All Owners of Lots with completed houses thereon shall, as a minimum, have the grass regularly cut and all trash and debris removed. The Owner of each Lot shall maintain the Dwelling located thereon in good repair, including, but not limited to the exterior paint and appearance of the Dwelling. If an Owner of a Lot fails, in the Board's sole discretion, to maintain their Lot or Dwelling as required herein, the Board, after giving such Owner at least ten (10) days written notice, is hereby authorized, but shall not be hereby obligated, to maintain that Lot and said Owners shall reimburse Association for actual costs incurred therewith.

Section 15. Window Treatments. No newspaper, aluminum foil, reflective film, nor my other material, other than usual and customary window treatments, shall be placed over the windows of any Dwelling.

Section 16. Signs. No sign, billboard or advertising of any kind shall be displayed to public view on any of the Properties without the prior written approval of the Design Review Board. Any such request submitted to the Design Review Board shall be made in writing, accompanied by a drawing or plan for one (1) discreet professionally prepared sign not to exceed twenty four (24) inches in width and eighteen (18) inches in height, to be attached to a 2 x 4 no higher than three (3) feet from the ground. Such sign shall contain no other wording than "For Sale" or "For Rent", the name, address and telephone number of one (1) registered real estate broker, or a telephone number of an Owner or his agent. In no event shall more than one (1) sign ever be placed on any Lot. Notwithstanding the foregoing provisions, the Declarant specifically reserves the right, for itself and its agents, employees, nominees and assigns the right, privilege and easements to construct, place and maintain upon the Properties such signs as it deems appropriate in connection with the development, improvement, construction, marketing and sale of any of the Properties. Except as hereinabove provided, no signs or advertising materials displaying the names or otherwise advertising the identity of contractors, subcontractors, real estate brokers or the like employed in connection with the construction, installation, alteration or other improvement upon or the sale or leasing of the Properties shall be permitted.

Section 17. Trees. No Owner shall remove, damage, trim, prune or otherwise alter

any tree in the Properties, the trunk of which tree is eight (8) inches or more in diameter at a point twenty-four (24) inches above the adjacent ground level, except as follows:

- (a) With the express written consent of the Association.
- (b) If the trimming, pruning or other alteration of such tree is necessary because the tree or a portion thereof creates an eminent danger to person or property and there is not sufficient time to contact the Association for their approval.
- (c) Notwithstanding the foregoing limitation, an Owner may perform, without the express written consent of the Association, normal and customary trimming and pruning of any such tree, the base or trunk of which is located on said Owner's Lot, provided such trimming or pruning does not substantially alter the shape or configuration of any such tree or would cause premature deterioration or shortening of the life span of any such tree.
- (d) It is the express intention of this Section 17 that the trees existing on the Properties at the time of the recording of this Declaration, and those permitted to grow on the Properties after said time, be preserved and maintained as best as possible in their natural state and condition. Accordingly, these provisions shall be construed in a manner most favorable to the preservation of that policy and intent.

Section 18. Amendments and Modifications by Declarant. Notwithstanding any provisions of this Declaration to the contrary, Declarant, its successors and designated assigns, reserves the right and authority, subject to FHA/VA approval (which approval need not be evidenced in the public record), so long as Declarant owns a Lot within the Properties, to amend, modify or grant exceptions or variances from any of the Use Restrictions set forth in this Article VIII without notice to or approval by other Lot Owners, provided that such amendments, codifications, exceptions or variances shall be substantially consistent with the general uniform plan of residential development. All amendments, modifications, exceptions or variances increasing or reducing the minimum square foot area of Dwellings, pertaining to fence size, location or composition, or pertaining to the location of structures on a Lot shall be conclusively deemed to be within the authority and right of Declarant under this Section.

ARTICLE IX - ARCHITECTURAL CONTROL

Section 1. Members of Committee. The Design Review Board shall consist of three (3) members. The initial members of the Design Review Board shall consist of persons designated by the Declarant from time to time. Each of said persons shall hold office until all Lots planned for the Properties have been conveyed, or sooner at the option of the Declarant. Thereafter, each new member of the Design Review Board shall be appointed by the Board of Directors and shall hold office until such time as such person has resigned or has been removed or a successor has been appointed, as provided herein. Members of the Design Review Board

may be removed at any time without cause. The Board of Directors shall have the right to appoint and remove all members of the Design Review Board.

Section 2. Purpose and Function of Design Review Board. The purpose and function of the Design Review Board shall be to (a) create, establish, develop, foster, maintain, reserve and protect within THE LAKES II a unique, pleasant, attractive and harmonious physical environment grounded in and based upon a uniform plan of development and construction with consistent architectural and landscape standards, and (b) review, approve and control the design of any and all buildings, structures, signs and other improvements of any kind, nature or description, including landscaping, to be constructed or installed upon all Properties and all Common Area within THE LAKES II. Neither the Declarant nor the Design Review Board, or any of its members, shall have any liability or obligation to any person or party whomsoever or whatsoever to check every detail of any plans and specifications or other materials submitted to and approved by it or to inspect any Improvements constructed upon Properties or Common Area to assure compliance with any plans and specifications approved by it or to assure compliance with the provisions of the Design Review Manual for THE LAKES II or this Declaration.

Section 3. All Improvements Subject to Approval. No buildings, structures, walls, fences, pools, patios, paving, driveways, sidewalks, signs, landscaping, planting, irrigation, landscape device or object, or other Improvements of any kind, nature or description, whether purely decorative, functional or otherwise, shall be commenced, constructed, erected, made, placed, installed or maintained upon any of the Properties or Common Area, nor shall any change or addition to or alteration or remodeling of the exterior of any previously approved buildings, structures, or other Improvements of any kind, including, without limitation, the painting of the same (other than painting, with the same color and type of paint which previously existed) shall be made or undertaken upon any Properties or Common area except in compliance and conformance with and pursuant to plans and specifications therefor which shall first have been submitted to and reviewed and approved in writing by the Design Review Board.

Section 4. Standards for Review and Approval. Any such review by and approval or disapproval of the Design Review Board shall take into account the objects and purposes of this Declaration and the purposes and function of the Design Review Board. Such review by and approval of the Design Review Board shall also take into account and include the type, kind, nature, design, style, shape, size, height, width, length, scale, color, quality, quantity, texture and materials of the proposed building, structure or other Improvement under review, both in its entirety and as to its individual or component parts, in relation to its compatibility and harmony with other, contiguous, adjacent and nearby structures and other Improvements and in relation to the topography and other physical characteristics of its proposed location and in relation to the character of the THE LAKES II community in general. The Design Review Board shall have the right to refuse to give its approval to the design, placement, construction, erection or installation of any Improvement on Properties or Common Area which it, in its sole and absolute discretion, deems to be unsuitable, unacceptable or inappropriate for THE LAKES II.

Section 5. Design Standards and Design Review Manual for THE LAKES II. The Design Review Board shall develop, adopt, promulgate, publish and make available to all Owners and others who may be interested, either directly or through the Association, at a reasonable charge, and may from time to time change, modify and amend, a manual or manuals setting forth detailed architectural and landscape design standards, specifications and criteria to be used by the Design Review Board as a guide or standard for determining compliance with this Declaration and the acceptability of those components of development, construction and improvement of any Properties or Common Area requiring review and approval by the Design Review Board. Until the Declarant's delegation of the architectural and landscape review and control functions to the Association, any such Design Review Manual must be approved by the Declarant in writing prior to its adoption and promulgation. Any such single Design Review Manual or separate Architectural Design Standards Manual and separate Landscape Design Standards Manual may include a detailed interpretation or explanation of acceptable standards, specifications and criteria for a number of typical design elements, including, without limitation, site planning, architectural design, building materials, building construction, landscaping, irrigation, and such other design elements as the Design Review Board shall, in its discretion, determine. Such Design Review Manual shall be used by the Design Review Board and other affected persons only as a guide and shall not be binding upon the Design Review Board in connection with the exercise of its review and approval functions and ultimate approval or refusal to approve plans and specifications submitted to it pursuant to this Declaration.

Section 6. Procedure for Design Review. The Design Review Board shall develop, adopt, promulgate, publish and make available to all Owners, their architects and contractors and others who may be interested, either directly or through the Association, at a reasonable charge, and either included within or separate and apart from the Design Review Manual, reasonable and practical rules and regulations governing the submission of plans and specifications to the Design Review Board for its review and approval. Unless such rules and regulations are compiled with in connection with the submission of plans and specifications requiring review and approval by the Design Review Board, plans and specifications shall not be deemed to have been submitted to the Design Review Board. Additionally, the Design Review Board shall be entitled, in its discretion, to establish, determine, charge and assess a reasonable fee in connection with and for its review, consideration and approval of plans and specifications pursuant to this Article, taking into consideration actual costs and expenses incurred during the review process, including the fees of professional consultants, if any, to and members of the Design Review Board, as well as taking into account the costs and expenses associated with the development, formulation and publication of any Design Review Manual adopted by the Design Review Board pursuant to this Declaration. The initial Design Review Fee shall be Fifty Dollars (\$50.00). However, such Design Review Fee may be increased or decreased by the Design Review Board from time to time.

Section 7. Time Limitation on Review. The Design Review Board shall either approve or disapprove any plans, specifications or other materials submitted to it within thirty (30) days after the same have been duly submitted in accordance with any rules and regulations regarding such submission as shall have been adopted by the Design Review Board. The failure

of the Design Review Board to either approve or disapprove the same within such thirty (30) day period shall be deemed to be and constitute an approval of such plans, specifications and other materials; subject, however, at all times to the covenants, conditions, restrictions and other requirements contained in this Declaration and also subject to the provisions of the Design Review Manual.

Section 8. Duration of Approval. Any approval of plans, specifications and other materials, whether by the Design Review Board or by the Declarant or the Board of Directors of the Association following appeal, shall be effective for a period of one (1) year from the effective date of such approval. If construction or installation of the building, structure or other Improvement for which plans, specifications and other materials have been approved, has not commenced within said one (1) year period, such approval shall expire, and no construction shall thereafter commence without a resubmission and approval of the plans, specifications and other materials previously approved. The prior approval shall not be binding upon the Design Review Board on resubmission in any respect.

Section 9. Inspection of Construction. Any member of the Design Review Board or any officer, director, employee or agent of the Declarant or Association may, but shall not be obligated to, at any reasonable time, enter upon, without being deemed guilty of trespass, any Properties or Common Area and any building, structure or other Improvement located thereon, in order to inspect any building, structure or other Improvement constructed, erected or installed or lien being constructed, erected or installed thereon in order to ascertain and determine whether or not any such building, structure or other Improvement has been or is being constructed, erected, made, placed or installed in compliance with this Declaration and the plans, specifications and other materials approved by the Design Review Board.

Section 10. Evidence of Compliance. Upon a request therefor from, and at the expense of, any Owner upon whose Lot the construction, erection, placement or installation of any building, structure or other Improvement has been completed or is in the process, the Design Review Board shall cause an inspection of such Lot and the Improvements then located thereon to be undertaken within thirty (30) days, and if such inspection reveals that the buildings, structures or other Improvements located on such Lot are in compliance with plans, specifications and other materials approved by the Design Review Board, the Design Review Board shall direct the Association through its President, Secretary or other officer of the Association thereunto duly authorized, upon the payment by the requesting Owner of a reasonable fee approximating the actual costs associated with such inspection and the preparation of such notice, to provide to such Owner a written statement of such compliance in recordable form. Such written statement of compliance shall be conclusive evidence of compliance of the inspected Improvements with the provisions of this Article as of the date of such inspection.

Section 11. Interior Alterations Exempt. Nothing contained in this Article shall be construed so as to require the submission to or approval of the Design Review Board of any plans, specifications or other materials for the reconstruction or alteration of the interior of any building, structure or other Improvement constructed on Properties or Common Area after

having been previously approved by the Design Review Board, unless any proposed interior construction or alteration will have the effect of changing or altering the exterior appearance of such building, structure or other Improvement.

Section 12. Declarant Exempt. The Declarant shall be exempt from compliance with the provisions of this Article.

Section 13. Exculpation for Approval or Disapproval of Plans. The Declarant, any and all members of the Design Review Board and any and all officers, directors, employees, agents and members of the Association, shall not, either jointly or severally, be liable or accountable in damages or otherwise to any Owner or other person or party whomsoever or whatsoever by reason or on account of any decision, approval or disapproval of any plans, specifications or other materials required to be submitted for review and approval pursuant to the provisions of this Article, or for any mistake in judgment, negligence, misfeasance or nonfeasance related to or in connection with any such decision, approval or disapproval. Each person who shall submit plans, specifications or other materials to the Design Review Board for consent or approval pursuant to the provisions of this Article, by the submission thereof, and each Owner by acquiring title to any Lot or any interest therein, shall be deemed to have agreed that he or it shall not be entitled to and shall not bring any action, proceeding or suit against the Declarant, the Design Review Board, the Association nor any individual member, officer, director, employee or agent of any of them for the purpose of recovering any such damages or other relief on account of any such decision, approval or disapproval. Additionally, plans, specifications and other materials submitted to and approved by the Design Review Board, or by Declarant or Board of Directors of the Association on appeal, shall be reviewed and approved only as to their compliance with the provisions of this Declaration and their acceptability of design, style, materials, appearance and location in light of the standards for review and approval specified in this Declaration and the Design Review Manual, and shall not be reviewed or approved for their compliance with any applicable Governmental Regulations, including, without limitation, any applicable building or zoning laws, ordinances, rules or regulations. By the approval of any such plans, specifications or materials, neither the Declarant, the Design Review Board, the Association, nor any individual member, officer, director, employee or agent of any of them, shall assume or incur any liability or responsibility whatsoever for any violation of Governmental Regulations or any defect in the design or construction of any building, structure or other Improvement, constructed, erected, placed or installed pursuant to or in accordance with any such plans, specifications or other materials approved pursuant to this Article.

ARTICLE X - GENERAL PLAN OF DEVELOPER

Section 1. Deed Restrictions. In addition to this Declaration, the Declarant may record for parts of the Properties additional deed restrictions applicable thereto either by master instrument or individually recorded instruments. Such deed restrictions may vary as to different parts of the Properties in accordance with the Declarant's development plan and the location, topography and intended use of the land made subject thereto. To the extent that part of the

Properties is made subject to such additional deed restrictions, such land shall be subject to additional deed restrictions which are hereby incorporated herein by reference, and this Declaration. The Association shall have the duty and power to enforce such deed restrictions if expressly provided for therein, and to exercise any authority granted to it by them. Nothing contained in this Section 1 shall require the Declarant to impose uniform deed restrictions or to impose additional deed restrictions of any kind on all or any part of the Properties. In the event of any conflict between this Declaration and any other deed restrictions or declarations which any part of the Properties is subject to, then the most restrictive of such provision shall prevail.

Section 2. Duration. The covenants, conditions and restrictions of this Declaration shall run with and bind the land and shall inure to the benefit of and be enforceable by the Association, or the Owner of any land subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of twenty-five (25) years from the date this Declaration is recorded in the public records of Polk County, Florida, after which time the covenants, conditions and restrictions contained in this Declaration shall be automatically extended for successive periods of ten (10) years unless prior to the end of such twenty five (25) year period, or each successive ten (10) year period, an instrument signed by the then owners of eighty percent (80%) of the Lots agreeing to terminate the covenants, conditions and restrictions at the end of such twenty-five (25) year or ten (10) year period has been recorded in the Public Records of Polk County, Florida. Provided, however, that no such agreement to terminate the covenants, conditions and restrictions shall be effective unless made and recorded at least ninety (90) days in advance of the effective date of such change. This Section may not be amended.

Section 3. Enforcement. The Association, the Declarant and any Owner, shall each have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration or as may be expressly authorized by deed restrictions as described in Section 1 of this Article. Failure of the Association, Declarant, or any Owner to enforce any covenant or restriction herein or therein contained shall in no event be deemed a waiver of the right to do so thereafter. If a person or party is found in the proceedings to be in violation of or attempting to violate the provisions of this Declaration or such deed restrictions, he shall bear all expenses of the litigation, including court costs and reasonable attorney's fees, including those on appeal, recurred by the party enforcing them. Declarant and Association shall not be obligated to enforce this Declaration or such deed restrictions and shall not in any way or manner be held liable or responsible for any violation of this Declaration or such deed restrictions by any person other than itself.

Section 4. Severability. Invalidation of any one of these covenants or restrictions by law, judgment or court order shall in no way effect any other provisions of this Declaration, and such other provisions shall remain in full force and effect.

Section 5. Amendment. This Declaration may be amended from time to time by recording among the Public Records of Polk County, Florida by:

- (a) An instrument signed by the Declarant, as provided in Section 6 of this Article; or
- (b) A vote of two-thirds (2/3) of the Voting Members, at a meeting called for such purpose; or
- (c) An instrument signed by the duly authorized officers of the Association provided such amendment by the Association officers has been approved in the manner provided in Paragraph (b) of this Section; or
- (d) An instrument signed by two-thirds (2/3) of the Voting Members approving such amendment.

Notwithstanding anything herein to the contrary, so long as the Declarant, or its assigns shall own any Lot no amendment shall diminish, discontinue or in any way adversely affect the rights of the Declarant under this Declaration, nor shall any amendment pursuant to (b) or (c) above be valid unless approved by the Declarant, as evidenced by its written joinder. Any amendment to this Declaration which would affect any SWMS located within the Properties must have the prior approval of SWFWMD; such approval need not be recorded.

Section 6. Exception. Notwithstanding any provision of this Article to the contrary, the Declarant shall have the right to amend this Declaration, from time to time, so long as Declarant owns a Lot within the Properties, to make such changes, modifications and additions therein and thereto as may be requested or required by HUD, FHA, VA, FNMA, GNMA, or any other governmental agency or body as a condition to, or in connection with such agency's or body's agreement to make, purchase, accept, insure, guaranty or otherwise approve loans secured by mortgages on Lots or any other amendment which Declarant deems necessary provided such amendment does not destroy or substantially alter the general plan or scheme of development of the Properties. Any such amendment shall be executed by the Declarant and shall be effective upon its recording in the Public Records of Polk County, Florida. No approval or joinder of the Association, other Owners, or any other party shall be required or necessary to such amendment.

Section 7. FNMA Requirements. Upon written request to the Association, identifying the name and address of the Institutional Lender, or insurer or guarantor thereof and the Lot number or address, any such eligible mortgage holder or eligible insurer or guarantor will be entitled to timely written notice of:

- (a) any condemnation loss or any casualty loss which affects a material portion of any Lot on which there is a first mortgage held, insured, or guaranteed by such eligible mortgage holder or eligible insurer or guarantor, as applicable;
- (b) any delinquency in the payment of assessments or charges owed by any Owner of a Lot subject to a first mortgage held, insured or guaranteed by such eligible holder or eligible insurer or guarantor, which remains uncured for a period of sixty (60)

days;

(c) any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association;

(d) any proposed action which would require the consent of a specified percentage of mortgage holders.

Section 8. Notice. Any notice required to be sent to any Owner under the provisions of this instrument shall be deemed to have been properly sent when personally delivered or mailed, postpaid, to the last known address of said Owner.

Section 9. Assignments. Declarant shall have the sole and exclusive right at any time and from time to time to transfer and assign to, and to withdraw from such person, firm, or corporation as it shall select, any or all rights, powers, easements, privileges, authorities, and reservations given to or reserved by Declarant by any part or paragraph of this Declaration or under the provisions of the plat. If at any time hereafter there shall be no person, firm, or corporation entitled to exercise the rights, powers, easements, privileges, authorities, and reservations given to or reserved by Declarant under the provisions hereof, the same shall be vested in and exercised by a committee to be elected or appointed by the Owners of a majority of Lots. Nothing herein contained, however, shall be construed as conferring any rights, powers, easements, privileges, authorities or reservations in said committee, except in the event aforesaid.

Section 10. Withdrawal. Anything herein to the contrary notwithstanding, the Declarant reserves the absolute 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 Properties from the provisions of this Declaration.

Section 11. Warranties. Declarant makes no warranties, express or implied, as to the improvements located in, on or under the Common Area. Each owner of a Lot, other than Declarant, by acceptance of a deed or other conveyance thereto, whether or not it shall be so expressed in such deed or conveyance, is deemed to acknowledge and agree that there are no warranties of merchantability, fitness or otherwise, either express or implied, made or given, with respect to the improvements in, on or under the Common Area, all such warranties being specifically excluded.

Section 12. FHA/VA/FNMA Approval. As long as there is a Class B membership, and provided FHA or VA approval is sought by Declarant, the following actions will require the prior approval of the FHA or VA: annexation of additional properties, dedication of Common Area, and amendment of this Declaration, the Articles and/or Bylaws.

Section 13. Annexation.

(a) Additions to Properties and General Plan

(1) Additions to the Properties. Additional land may be brought within the jurisdiction and control of the Association in the manner specified in this Section 13 and made subject to all the terms of this Declaration as if part of the Properties initially included within the terms hereof, provided such is done within twenty (20) years from the date this instrument is recorded and provided further that if FHA or VA approval is sought by Declarant, the VA or FHA approves such action, if necessary. Notwithstanding the foregoing, however, under no circumstances shall the Declarant be required to make such additions, and until such time as such additions are made to the Properties in the manner hereinafter set forth, no other real property owned by the Declarant or any other person or party whomsoever, other than the Properties, shall in any way be affected by or become subject to the Declaration. Any land which is added to the Properties as provided in this Article shall be developed only for use as designated on the Conceptual Master Plan, subject to Declarant's rights to modify, unless FHA or VA approval has been sought by Declarant and subsequent to that approval being obtained the VA or FHA shall approve or consent to an alternate land use. All additional land which pursuant to this Article is brought within the jurisdiction and control of the Association and made subject to the Declaration shall thereupon and thereafter be included within the term "Properties" as used in this Declaration.

Notwithstanding anything contained in this Section and in said Conceptual Master Plan, the Declarant neither commits to, nor warrants or represents, that any such additional development shall occur.

(2) General Plan of Development. The Declarant has heretofore submitted to the city of Lake Alfred Planning and Zoning Department a general plan of development, defined above as the Conceptual Master Plan, for the land which may become subject to this Declaration, showing a general indication of the size and location of additional developments which may be added in subsequent stages and proposed land uses in each; the approximate size and location of Common Area for each stage; and the general nature of any proposed Common Area facilities and improvements. Such Conceptual Master Plan shall not bind the Declarant to make any such additions or adhere to the Conceptual Master Plan. Such Conceptual Master Plan may be amended or modified by the Declarant, in whole or in part, at any time, or discontinued.

(b) Procedure for Making Additions to the Properties. Additions to the Properties may be made, and thereby become subject to this Declaration by, and only by, one of the following procedures:

(1) Additions in Accordance with a Conceptual Master Plan of Development. The Declarant shall have the right from time to time in its discretion and without

need for consent or approval by either the Association or its members, to bring within the jurisdiction and control of the Association and make subject to the scheme of this Declaration additional land, provided that such additions are in accordance with the Conceptual Master Plan or any amendments or modifications thereof.

(2) Mergers. Upon a merger or consolidation of the Association with another non-profit corporation as provided in its Articles, its property (whether real, personal or mixed), rights and obligations may, by operation of law, be transferred to the surviving or consolidated corporation or, alternatively, the Property, rights and obligations of the other non-profit corporation may, by operation of law, be added to the property, rights and obligations of the Association as the surviving corporation pursuant to a merger. The surviving or consolidated corporation may administer the covenants and restrictions established by this Declaration within the Properties together with the covenants and restrictions established upon any other land as one scheme. No such merger or consolidation, however, shall affect any revocation, change or addition to the covenants established by this Declaration within the Properties. No such merger or consolidation shall be effective unless approved by eighty percent (80%) of the vote of each class of members of the Association present in person or by proxy at a meeting of members called for such purpose, and, if VA or FHA approval has been sought by Declarant, by the VA or FHA.

(c) General Provisions Recording Additions to the Properties.

(1) The additions authorized under Section b(1) of this Article shall be made by the Declarant filing of record a Supplement to Declaration of Covenants, Conditions and Restrictions with respect to the additional land extending the scheme of the covenants and restrictions of this Declaration to such land, except as hereinafter provided in Section c(4). Such Supplement need only be executed by the Declarant and shall not require the joinder or consent of the Association or its members. Such Supplement may contain such complimentary additions and modifications of the covenants and restrictions contained in this Declaration as may be necessary to reflect the different character, if any, of the added land or permitted use thereof. In no event, however, shall such Supplement revoke, modify or add to the covenants established by this Declaration as such affect the land described on the attached Exhibit "A-1."

(2) Regardless of which of the foregoing methods is used to add additional land to that subject to the terms and provision of this Declaration, no addition shall revoke or diminish the rights of the Owners of the Properties to the utilization of the Common Area as established hereunder except to grant to the owners of the lands being added to the Properties the right to use the Common Area according to the terms and conditions as established hereunder, and the right

to vote and be assessed as herein after provided.

(3) Prior to the addition of any land pursuant to Section b(1) of this Article, the Declarant shall submit to VA or FHA plans for the development thereof, if Declarant has sought VA or FHA approval.

(4) Nothing contained in this Article shall obligate the Declarant to make any additions to the Properties.

(d) Voting Rights of the Declarant as to Additions to the Properties. The Declarant shall have no voting rights as to the lands it proposes to add to the Properties until such land or portion thereof is actually added to the Properties in accordance with the provisions of this Article. Upon such land or portion thereof being added to the Properties, the Declarant shall have the Class B voting rights as to the Lots thereof as is provided by this Declaration.

(e) Assessment Obligation of the Declarant as to Additions to the Properties. The Declarant shall have no assessment obligation as to the land it proposes to add to the Properties until such land or portion thereof is actually added to the Properties in accordance with the provisions of this Article. At such time, the Declarant shall have the assessment obligation with regard to Lots which it owns, upon the same terms and conditions as contained in this Declaration.

Section 14. Expansion or Modification of Common Areas. Additions or modifications to the Common Area may be made if not inconsistent with the General Plan and any amendments thereto. Neither the Declarant, its successors or assigns, shall be obligated, however, to make any additions or modifications. Declarant further reserves the right to change the configuration or legal description of the Common Areas due to changes in development plans.

Section 15. Mediation/Arbitration of Disputes and Other Matters. Notwithstanding anything to the contrary contained in this Declaration, all disputes and other matters (except as set forth herein) between or among the Declarant, the Association, the Board of Directors, any committee of the Association, any officer, director, partner, member, shareholder, employee, agent or other representative of any of the foregoing and any Owner(s) (all of whom shall collectively be deemed to be intended beneficiaries of this Section), shall be submitted first to mediation and, if not settled during mediation, then to final, binding arbitration, all in accordance with the provisions hereinafter set forth in this Section, and such disputes and other matters shall not be decided by a court of law. The disputes and other matters which are subject to mediation and/or arbitration under this Section include, without limitations the following: (a) those arising under the provisions of this Declaration, the Articles of Incorporation or Bylaws of the Association; (b) those regarding any of the rules and regulations, design guidelines, resolutions, decisions, or rulings of the Association, the Board of Directors, or any of the Association's committees; (c) any and all controversies, disputes or claims between any of the intended beneficiaries of this Section, regardless of how the same might have arisen or on what it might be

based; and (d) any statements, representations, promises, warranties, or other communications made by or on behalf of any of the intended beneficiaries of this Section. The mediation shall be conducted before the American Arbitration Association ("AAA") in accordance with AAA's Commercial or Construction Industry Mediation Rules. If the dispute or other matter is not fully resolved by mediation, then the same shall be submitted to binding arbitration before AAA in accordance with their Commercial or Construction Industry Arbitration Rules, and any judgment upon the award rendered by the arbitrator(s) may be entered in and enforced by any court having jurisdiction over such dispute or other matter. The arbitrator(s) appointed to decide each such dispute shall have expertise in the area(s) of dispute, which may include legal expertise if legal issues may be involved. Unless otherwise provided by law, the costs of mediation and arbitration shall be borne equally by the parties involved. Each party shall pay its respective attorneys' fees, costs and expenses, including those incurred in mediation, arbitration, or other matters. All decisions regarding whether a dispute or other matter is subject to arbitration shall be decided by the arbitrator.

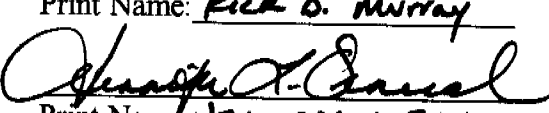
Notwithstanding the foregoing, the following actions shall not be subject to this Section: (a) actions relating to the collection of fees, assessments, fines and other charges imposed or levied by the Association, the Board of Directors or any of the Association's committees and (b) actions by the Association to obtain an injunction to compel the compliance with, or enjoin the violation of, the provisions of this Declaration, the Articles of Incorporation or Bylaws of the Association, and all rules and regulations, design guidelines, resolutions, decisions, or rulings of the Association, the Board of Directors, or any of the Association's committees.

[SIGNATURE LINES TO FOLLOW]

IN WITNESS WHEREOF, the undersigned, being the Declarant herein has caused this Declaration to be executed by its duly authorized officers and affixed its corporate seal as of this 8th day of April, 2010.

In the Presence of:


Print Name: Rick D. Murray


Print Name: JENNIFER L. SENECHAL

MERIDIAN HOLDINGS, LLC, a
Delaware limited liability company

By: Ron Allare, Vice President

STATE OF Minnesota
COUNTY OF Dakota

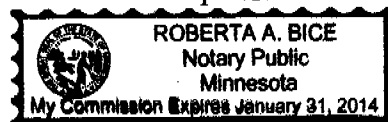
I HEREBY CERTIFY, that on this day personally appeared before me, an officer duly authorized to administer oaths and take acknowledgments, Ron Allare as Vice President of MERIDIAN HOLDINGS, LLC, a Delaware limited liability company, to me personally known or who has produced Drivers License as identification, and known to me to be the individual described in and who executed the foregoing instrument as said officer and he acknowledged before me that he executed the same for the purposes therein expressed on behalf of said corporation.

WITNESS my hand and official seal at Dakota, said County and State, this 8th day of April, 2010.


Notary Public

Print Name Roberta A. Bice

My Commission Expires:



JOINDER AND CONSENT OF ASSOCIATION

THE LAKES II HOMEOWNERS ASSOCIATION, INC., hereby joins in and consents to the foregoing Declaration of Covenants, Conditions, Restrictions and Easements for (the "Declaration"), accepts the obligations imposed upon it by the Declaration, and agrees to be bound by the terms and conditions thereof.

DATED this 8th day of April, 2010.

Signed, sealed and delivered
in the Presence of:




Print Name: Harry S. Cline



Print Name: Kathleen A. O'Hearn

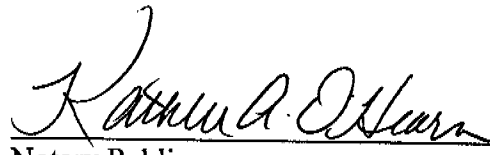
THE LAKES II HOMEOWNERS
ASSOCIATION, INC., a Florida
not-for-profit corporation

By: 

RICK MURRAY

STATE OF FLORIDA
COUNTY OF PINELLAS

The foregoing instrument was acknowledged before me this ____ day of April, 2010, by RICK MURRAY, as Secretary of THE LAKES II HOMEOWNERS ASSOCIATION, INC., a Florida not-for-profit corporation, duly authorized to act on behalf of the corporation. He is personally known to me or has produced _____ as identification.



Notary Public
Print Name Kathleen A. O'Hearn
My Commission Expires:

h:\data\aty\hsc\meridianlandholdings\the lakes ii\declaration the lakes ii.docx

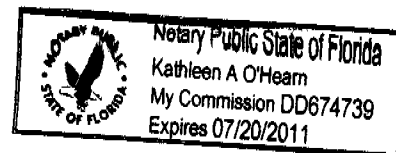


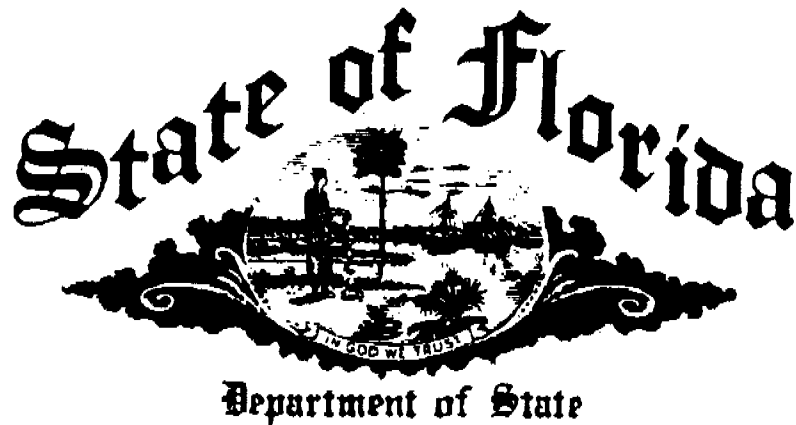
EXHIBIT "A-1"
TO THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR THE LAKES II

**Lots 1 thru 71, inclusive, TRACT 4, THE LAKES, according to map or plat thereof, as recorded in
Plat Book 146, pages 1 and 2, public records of Polk County, Florida**

EXHIBIT "A-2"

TO THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR THE LAKES II

LEGAL DESCRIPTION: (PROVIDED BY POLK COUNTY PROPERTY APPRAISER)
N1/2 FRACTL LESS THAT PART LYING S OF A LINE DESC
AS: CON N 1/4 COR SEC N 89 DEG 34 MIN 30 SEC E
2731.11 FT TO NE COR SEC LYING IN LAKE HAINES S 00
DEG 08 MIN 34 SEC E ALONG E LINE SEC 1549.62 FT TO
POB S 62 DEG 11 MIN 18 SEC W 510.88 FT N 81 DEG 12
MIN 40 SEC W 411.35 FT TO C/L MANMADE CANAL S 11
DEG 14 MIN 47 SEC W ALONG SD C/L 777.34 FT N 78
DEG 45 MIN 13 SEC W 320.06 FT N 80 DEG 59 MIN 14
SEC W 502.98 FT N 57 DEG 36 MIN 00 SEC W 53.14 FT
N 00 DEG W 883.26 FT S 90 DEG W 120 FT N 00 DEG W
8.34 FT NWLY ALONG CURVE 30.44 FT N 00 DEG W
175.38 FT N 80 DEG W 374.86 FT NWLY ALONG CURVE
288.08 FT N 55 DEG 36 MIN 48 SEC W 498.18 FT NWLY
ALONG CURVE 185.71 FT N 83 DEG 38 MIN 46 SEC W
387.19 FT NWLY ALONG CURVE 27.58 FT N 87 DEG 35
MIN 40 SEC W 302.18 FT S 00 DEG 46 MIN 42 SEC E
172.32 FT S 89 DEG 13 MIN 18 SEC W 112.87 FT N 80
DEG 40 MIN 45 SEC W 178.57 FT N 87 DEG 35 MIN 49
SEC W 181.55 FT SWLY ALONG CURVE 87.85 FT S 78 DEG
50 MIN 54 SEC W 608.86 FT SWLY ALONG CURVE 60.43
FT S 72 DEG 04 MIN 03 SEC W TO W LINE OF SEC & END
OF LINE & LESS TRACT 1 THE LAKES PD 130 PGS 1 & 2
& LESS TRACT 2 THE LAKES PD 131 PGS 14 & 15 & LESS
CON NW COR SEC RUN ALONG N LINE SEC N 89 DEG 34
MIN 30 SEC E 487.88 FT S 00 DEG 05 MIN 02 SEC E
150.04 FT N 89 DEG 54 MIN 22 SEC E 849.44 FT S 02
DEG 53 MIN 55 SEC W 48.82 FT S 00 DEG W 780.01 FT
TO POB S 87 DEG 35 MIN 49 SEC E 85.22 FT S 00 DEG
46 MIN 42 SEC E 172.32 FT S 89 DEG 13 MIN 18 SEC W
112.87 FT N 00 DEG 40 MIN 45 SEC W 178.57 FT S 87
DEG 35 MIN 49 SEC E 27.31 FT TO POB & LESS TRACT 3
THE LAKES PD 132 PGS 28 & 29 & LESS CON NE COR SEC
S00-08-36E 1722.98 FT [REDACTED] 858.81 FT TO POB
S11-14-47W 777.34 FT N78-45-13W 320.06 FT
[REDACTED] 602.98 FT [REDACTED] 53.14 FT NOCE
883.26 FT S80W 120 FT NOOW 8.34 FT NWLY ALONG
CURVE 30.44 FT NOOW 175.38 FT NOCE 225.16 FT
[REDACTED] 60.21 FT [REDACTED] 48.28 FT N90E 91.84
FT SELY ALONG CURVE 35.61 FT SELY ALONG REVERSE
CURVE 388.38 FT S81-12-40E 393.73 FT TO POB & LESS
TRACT 4 THE LAKES AS REC IN PD 148 PGS 1-2 &
LESS THAT PART LYING WITHIN FOLLOWING:
CON NW COR OF SEC N89-54-55E 2304.41 FT TO E LINE
OF TOCHAMTER ESTATES REC IN PD 56 PD 11 NO-31-30W
328.87 FT N89-57-55E ALONG S LINE OF SAID SUB
330.07 FT S0-28-33E 329.92 FT TO N 1/4 COR OF SEC
4 N89-34-30E ALONG N LINE OF SEC 1865.77 FT SOW
961.32 FT TO POB [REDACTED] 14.88 FT [REDACTED]
98.77 FT [REDACTED] 38.89 FT [REDACTED] 50.32 FT
[REDACTED] 2207.85 FT S33-52-51E 50 FT [REDACTED]
41.8 FT N78-52-51W 110.31 FT N11-07-09E 41.2 FT
N55-28-09E 50 FT N11-07-09E 2232.76 FT N33-52-51W
49.5 FT N11-07-09E 43.15 FT TO POB



I certify from the records of this office that THE LAKES II HOMEOWNERS ASSOCIATION, INC. is a corporation organized under the laws of the State of Florida, filed on April 12, 2010.

The document number of this corporation is N10000003636.

I further certify that said corporation has paid all fees due this office through December 31, 2010, and its status is active.

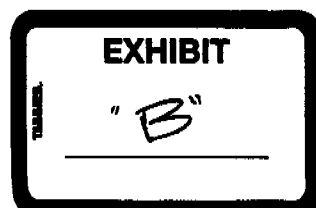
I further certify that said corporation has not filed Articles of Dissolution.

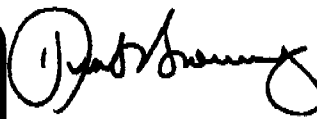
I further certify that this is an electronically transmitted certificate authorized by section 15.16, Florida Statutes, and authenticated by the code, 810A00009014-041310-N10000003636-1/1, noted below.

Authentication Code: 810A00009014-041310-N10000003636-1/1



Given under my hand and the
Great Seal of the State of Florida,
at Tallahassee, the Capital, this the
Thirteenth day of April, 2010




Kurt S. Browning
Secretary of State

ARTICLES OF INCORPORATION
OF
THE LAKES II HOMEOWNERS ASSOCIATION, INC.

In compliance with the requirements of Chapter 617, Florida Statutes, the undersigned, being a resident of the State of Florida and of full age, hereby forms a corporation not for profit in accordance with the laws of the State of Florida, and certify as follows:

ARTICLE I – NAME

The name of this corporation is THE LAKES II HOMEOWNERS ASSOCIATION, INC., hereinafter called the "Association".

ARTICLE II - PRINCIPAL OFFICE

The initial principal office of this Association shall be located at 625 Court Street, Suite 200, Clearwater, FL 33756, which office may be changed from time to time by the Board of Directors.

ARTICLE III - REGISTERED OFFICE AND AGENT

The name and street address of the initial registered agent and office of the Association shall be HARRY S. CLINE, ESQ., 625 Court Street, Suite 200, Clearwater, FL 33756.

ARTICLE IV - PURPOSE AND POWERS OF THE ASSOCIATION

This Association does not contemplate pecuniary gain or profit to its members. The specific purposes for which it is formed are to promote the health, safety, and general welfare of the residents and property within all of The Lakes II development, herein called the "Properties", described in those certain Declaration of Covenants, Conditions and Restrictions for The Lakes II, now or hereafter recorded among the Public Records of Polk County, Florida, and any amendments or modifications thereof; herein called the "Declaration", relating to the Properties and any additions thereto as may hereafter be brought within the jurisdiction of the Association.

Harry S. Cline
Macfarlane Ferguson & McMullen
Post Office Box 1669
Clearwater, FL 33757
Florida Bar # 0133526

The purposes of this Association shall include, without limitation of the foregoing, the improvement, maintenance, and control of the various tracts and parcels within the Properties, and carrying out, enforcing and otherwise fulfilling its rights and responsibilities under and pursuant to the Declaration. For the foregoing purposes, and without limitation, this Association is empowered to:

- (1) exercise all of the powers and privileges, and to perform all of the duties and obligations of the Association as set forth in the Declaration as the same may be amended from time to time as therein provided;
- (2) fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration, and to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of this Association, including all license fees, taxes, or governmental charges levied or imposed against the real or personal property of this Association;
- (3) acquire, either by gift, purchase or otherwise, and to own, hold, improve, build upon, operate, maintain, convey, sell, lease or transfer, or otherwise dispose of real or personal property, or interests therein, in connection with the affairs of this Association; provided, however, any conveyance of all or any portion of the Common Area shall require approval of two-thirds (2/3) vote of each class of members;
- (4) borrow money, and upon two-thirds (2/3) vote of each class of members, mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;
- (5) dedicate, sell, or transfer all or any part of this Association's property to any public body or governmental agency or authority, or any public or private utility for such purposes and subject to such conditions as may be agreed to by the members;
- (6) grant easements as to the Common Area to public and private utility companies, and to public bodies or governmental agencies or other entities or persons, without cost or charge, where convenient, desirable or necessary in connection with the development of the Properties, and the providing of utility and other services thereto;
- (7) participate in mergers and consolidations with other non-profit corporations organized for similar purposes, provided that any such merger or consolidation shall have been approved by a two-thirds (2/3) vote of each class of members;
- (8) adopt, alter, amend, and rescind reasonable rules and regulations from time to time, which rules and regulations shall be consistent with the rights and duties established by the Declaration and with the provisions of these Articles of Incorporation;

(9) contract for the maintenance and management of the Common Area and to authorize a management agent to assist the Association in carrying out its powers and duties under the Declaration;

(10) to adopt such annual budgets as are necessary to carry out the provisions of the Declaration;

(11) have and exercise any and all powers, rights, and privileges which a corporation organized under Chapter 617, Florida Statutes by law may now or hereafter have or exercise.

(12) to comply with the terms and meet the obligations of that certain Development Agreement concerning The Lakes II development as recorded in O.R. Book 8075, Page 748, Public Records of Polk County, Florida; .

(13) In the event the Properties have on site wetland mitigation as defined in the regulations which requires monitoring and maintenance, the Association shall include in its budget an appropriate allocation of funds for monitoring and maintenance of the wetland mitigation area(s) each year until the Southwest Florida Water Management District ("SWFMD") determines that the area(s) is successful in accordance with the Environmental Resource Permit; and

(14) The purposes of the Association shall further include the right and obligation to operate, maintain and repair the Common Area, and any improvements thereon, including, but not limited to any Surface Water Management System ("SWMS") as herein after defined, including all inlets, ditches, swales, culverts, water control structures, retention and detention areas, ponds, lakes floodplain compensation areas, wetlands and any associated buffer areas, and wetland mitigation areas, and/or related appurtenances which may be located within the Properties.

ARTICLE V - MEMBERSHIP AND VOTING RIGHTS

A. This Association shall be a membership corporation, without certificates of shares of stock. The Association may have more than one classes of membership, with different voting rights among such classes and members, as designated in the Declaration and the Bylaws of the Association.

B. Qualification for, admission to, and membership in the Association shall be regulated by the Declaration and the Bylaws of the Association.

C. Voting rights of the various classes of membership shall be regulated by the Declaration and the Bylaws of the Association.

D. The share of an owner or a member in the funds and assets of the Association

cannot be assigned, hypothecated or transferred in any manner, except as an appurtenance of such owner's or member's Lot.

ARTICLE VI - BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of Directors, which so long as Class B membership exists, shall consist of three (3) directors, and thereafter shall consist of not less than three (3) nor more than nine (9) directors. Directors shall be members of the Association; provided, however, that so long as Class B membership shall exist, directors need not be members of the Association. The names and addresses of the persons who are to act in the capacity of directors until their successors are elected and qualified, unless they sooner shall die, resign or be removed, are:

NAME	ADDRESS
Christian M. Wold	625 Court Street Suite 200 Clearwater, FL 33756
Ron Allar	625 Court Street Suite 200 Clearwater, FL 33756
Rick Murray	625 Court Street Suite 200 Clearwater, FL 33756

The initial Board of Directors herein designated shall serve until Class B membership has ceased and been converted to Class A membership and until the first annual membership meeting thereafter, at which time the members shall elect three (3) directors. Directors elected at the first such annual membership meeting and thereafter shall serve for a period of one year, and until their successors have been duly elected and qualified. So long as Class B membership shall exist, any member of the Board of Directors may be removed, with or without cause, but only by the Class B member, and any vacancies occurring on the Board of Directors shall only be filled by appointment by the Class B member.

ARTICLE VII – OFFICERS

The Association shall be administered by a president, vice president, secretary and treasurer, and such other officers as may be designated in the Bylaws, and shall be elected at the time and in the manner prescribed in the Bylaws. Officers need not be members of the Association. The names and addresses of the initial officers who shall serve until their successors are designated by the Board of Directors are as follows:

NAME	ADDRESS	OFFICE
Christian M. Wold	625 Court Street Suite 200 Clearwater, FL 33756	President/Director
Ron Allar	625 Court Street Suite 200 Clearwater, FL 33756	VP/Treas/Director
Rick Murray	625 Court Street Suite 200 Clearwater, FL 33756	Sec/Director

ARTICLE VIII – SUBSCRIBER

The name and address of the subscriber to these Articles of Incorporation is as follows:

NAME	ADDRESS
HARRY S. CLINE	625 Court Street Suite 200 Clearwater, FL 33756

ARTICLE IX – DISSOLUTION

This Association may be dissolved with the assent given in writing and signed by members entitled to cast not less than two-thirds (2/3) of the votes of each class of members. Upon dissolution of this Association, other than incident to a merger or consolidation, the assets of this Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to such similar purposes, but in no event shall such assets inure to the benefit of any member or other private individual.

ARTICLE X – BYLAWS

The Bylaws of this Association shall be initially adopted by the Board of Directors. Thereafter, the Bylaws may be amended, altered or rescinded in the manner provided by the Bylaws.

ARTICLE XI - AMENDMENT OF ARTICLES

- A. These Articles of Incorporation may be amended, from time to time, as follows:
- (1) Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.
 - (2) A resolution for the adoption of a proposed amendment may be proposed either by the Board of Directors or by not less than one-third (1/3) of the voting members of the Association.
 - (3) Except as elsewhere provided, an amendment shall be adopted if approved either:
 - (a) by not less than two-thirds (2/3) of the entire membership of the Board of Directors and also by not less than sixty-seven percent (67%) of the votes of the voting members duly qualified to vote; or
 - (b) by not less than seventy-five percent (75%) of the vote of the voting members duly qualified to vote, regardless of approval of the Board of Directors.
- B. No amendment shall make any change in the qualifications for membership nor the voting rights or property rights of members, without approval in writing by all members and the joinder of all record owners of mortgages upon Lots.
- C. No amendment shall make any change in the rights of the Declarant without the written approval of the Declarant. No amendment shall be made that is in conflict with the Declaration.
- D. No amendment shall be effective until a copy of such amendment shall have been certified by the Secretary of State of the State of Florida and thereafter shall have been recorded in the Public Records of Polk County, Florida.
- E. HUD/FHA/VA, for so long as there is a Class B membership, shall have the right to veto amendments to these Articles.

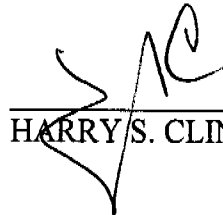
ARTICLE XII – INDEMNIFICATION

Every director and every officer of the Association shall be indemnified by the Association to the fullest extent of the law against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed on him in connection with any proceeding or settlement of any proceeding to which he may be a party or in which he may become involved by reason of his being or having been a director or officer of the Association, whether or not he is a director or officer at the time such expenses are incurred. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled.

ARTICLE XIII – INTERPRETATION

Express reference is hereby made to the terms, provisions, definitions, and rules of interpretation contained in the Declaration where necessary to interpret, construe, and clarify the provisions of these Articles. In subscribing and filing these Articles, it is the intent of the undersigned that the provisions hereof be consistent with the provisions of the Declaration and, to the extent not prohibited by law, that the provisions of these Articles and of the Declaration be interpreted, construed, and applied so as to avoid inconsistencies or conflicting results.

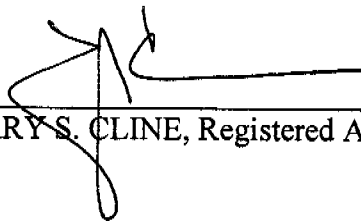
IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Florida, the undersigned, constituting the subscriber of this Association, has executed these Articles of Incorporation this 12 day of April, 2010.



HARRY S. CLINE, Incorporator

ACCEPTANCE OF REGISTERED AGENT

Having been named to accept service of process for THE LAKES II HOMEOWNERS ASSOCIATION, INC., at the place designated in these Articles of Incorporation, the undersigned hereby accepts to act in this capacity, and agrees to comply with the provisions of the laws of the State of Florida relative to keeping such open office.



HARRY S. CLINE, Registered Agent

h:\data\aty\hsc\meridianlandholdings\the lakes ii\articles the lakes ii.docx

BYLAWS
OF
THE LAKES II HOMEOWNERS ASSOCIATION, INC.

ARTICLE I - NAME AND LOCATION

Section 1. Name. The name of the corporation is THE LAKES II HOMEOWNERS ASSOCIATION, INC., hereinafter referred to as "the Association".

Section 2. Location. The principal office of the Association shall be located at 625 Court Street, Suite 200, Clearwater, FL 33756, but meetings of members and directors may be held at such places within the State of Florida as may be designated by the Board of Directors.

ARTICLE II – DEFINITIONS

1. "Articles" shall mean the Articles of Incorporation of THE LAKES II HOMEOWNERS ASSOCIATION, INC., a Florida corporation not-for-profit.

2. "Association" shall mean and refer to THE II LAKES HOMEOWNERS ASSOCIATION, INC., a Florida not for profit corporation, its successors and assigns.

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

4. "Bylaws" shall mean the Bylaws of the Association.

5. "Declarant" shall mean and refer to MERIDIAN HOLDINGS, LLC, a Delaware limited liability company, and its successors and assigns if such successors or assigns should acquire more than one undeveloped Lot from Declarant for the purpose of development, and provided such rights, in whole or in part, are assigned in writing to such successors and assigns.

6. "Declaration" shall mean and refer to the DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE LAKES II recorded in the Office of the Clerk of the Circuit Court of Polk County, Florida, the terms of which are incorporated herein by reference.

7 "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision plat of the Properties with the exception of the Common Area.

8. "Member" shall mean and refer to those persons entitled to membership in the Association provided in the Declaration.



9. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

10. "Property" or "Properties" shall mean and refer to that certain real property described in the Declaration, or added to the Declaration in the future, being now or in the future part of The Lakes II development.

11. "Voting Member" means and includes within its term both the Class A and Class B members as set forth in the Declaration, with voting rights as follows:

(a) Class A. Class A members shall be all Owners of Lots subject to assessment; provided, however, so long as there is Class B membership the Declarant shall not be a Class A member. When more than one (1) person or entity holds an interest in any Lot, the vote for such Lot shall be exercised as such persons determine, but in no event shall more than the number of votes hereinafter designated be cast with respect to such Lot nor shall any split vote be permitted with respect to such Lot. Every Owner of a Lot within the Properties, who is a Class A member, shall be entitled to one (1) vote for that Lot.

(b) Class B. Class B members of the Association shall be the Declarant until such Class B membership is converted to Class A at Declarant's option or as hereinafter set forth. Class B Lots shall be all Lots, owned by the Declarant which have not been converted to Class A as provided below. The Declarant shall be entitled to five (5) votes for each Class B Lot which it owns.

(c) Termination of Class B. From time to time, Class B membership may cease and be converted to Class A membership, and any Class B Lots then subject to the terms of this Declaration shall become Class A Lots upon the happening of any of the following events, whichever occurs earliest:

(i) Three (3) months after ninety (90%) percent of the Lots are conveyed to Owners, other than Declarant; or

(ii) On December 31, 2025; or

(iii) When the Declarant waives in writing its right to Class B membership; or

(iv) As to individual Lots, when the Declarant sells a Class B Lot to a third party purchaser and transfers said interest by deed to such purchaser.

Notwithstanding the foregoing, if at any time or times subsequent to any such conversion, additional land is added by the Declarant pursuant to Article X hereof, such additional land shall automatically be and become Class B Lots. In addition, if following such addition of land, the total votes allocable to all Lots then owned by the Declarant (calculated as if all such Lots are Class B, whether or not they are) shall exceed the remaining total votes outstanding in the

remaining Class A membership (i.e., excluding the Declarant), then any Class A Lots owned by the Declarant shall automatically be reconverted to Class B. Any such reconversion shall not occur, however, if either occurrence (ii) or (iii) above shall have taken place.

All other terms used herein and defined in the Declaration shall have the definition set forth in the Declaration, which is specifically included herein by reference.

ARTICLE III - MEETINGS OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the Members shall be held within one (1) year from the date of incorporation of the Association, and each subsequent regular annual meeting of the Members shall be held during the same month of each year thereafter, on such day and at such time as may be directed by the Board of Directors from time to time, or at such other times as the Board may determine. If the day for the annual meeting of the Members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the president or by the Board of Directors, or upon written request of the members who are entitled to vote one-fourth (1/4) of all of the votes of the Class A Voting Members.

Section 3. Notice of Meeting. Written notice of each meeting of the members shall be given by, or at the direction of the Secretary of the Association or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least fifteen (15) days before such meeting to each Member entitled to vote thereat, addressed to the Members' address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, one-third (1/3) of the votes of either or both classes of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote at such meeting shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented by proxy.

Section 5. Proxies. At all meetings of Members, each Voting Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary of the Association. Every proxy shall be revocable and shall automatically cease as to any Lot upon conveyance by the Member owning such Lot.

Section 6. Place. All members Meetings shall be held within the State of Florida as may be directed by the Board of Directors.

ARTICLE IV - BOARD OF DIRECTORS

Section 1. Number. The affairs of this Association shall be managed by a Board of Directors, which so long as Class B membership exists, shall consist of three (3) directors. Directors shall be members of the Association; provided, however, that so long as Class B membership shall exist, Directors need not be Members of the Association. When the Class B membership no longer exists, the Members, by majority vote at which a quorum is present at an annual or special meeting, may increase the number of Directors to any odd number up to nine (9); however, there shall never be less than three (3) Directors.

Section 2. Term of Office. The initial Board of Directors designated in the Articles of Incorporation shall serve until Class B membership has ceased and been converted to Class A membership and until the first annual membership meeting thereafter, at which time the members shall elect three (3) directors. Directors elected at the first such annual membership meeting and thereafter shall serve for a period of one year. A Director shall continue in office until his successor shall be elected and qualified, unless he sooner dies, resigns, or is removed, or otherwise disqualified to serve. Provided that so long as there is a Class B member Declarant shall have the right to name Directors.

Section 3. Removal. Any Director may be removed from the Board, with or without cause, by a majority vote of both classes of membership. In the event of death, resignation or removal of a Director, his successor shall be selected by the remaining Members of the Board and shall serve for the unexpired term of his predecessor, providing that so long as there is a Class B membership Declarant shall have the right to name successor Directors.

Section 4. Compensation. No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

ARTICLE V - NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. When the Class B membership no longer exists, nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a Member of the Board of Directors, and two (2) or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members, to serve from the close of such annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among Members or non-members.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot unless unanimously waived by the voting members present at the meeting. At such

election the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI - MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held as the Board may from time to time establish at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meeting. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two (2) Directors, after not less than three (3) days notice to each Director.

Section 3. 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 shall be regarded as the act of the Board.

ARTICLE VII - POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

(a) declare the office of a member of the Board of Directors to be vacant in the event such Member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

(b) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Class A members who are entitled to vote;

(b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) as more fully provided in the Declaration, to:

(1) fix the amount of the annual assessment against each Lot at least

thirty (30) days in advance of each annual assessment period;

(2) send written notice of each assessment to every owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

(3) foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the owner personally obligated to pay the same.

(d) issue, or cause an appropriate officer to issue, upon reasonable demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(e) procure and maintain adequate liability and hazard insurance on property owned by the Association; and

(f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate from time to time.

ARTICLE VIII - OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of this Association shall be a President and Vice-President, who shall at all times be members of the Board of Directors, a Secretary and a Treasurer, and such other officers as the Board may from time to time by resolution create. Officers need not be Members of the Association. The Secretary and Treasurer may, in the discretion of the Board, be combined to one office called Secretary/Treasurer.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. 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 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time 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 6. 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.

Section 7. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one (1) of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

(a) President: The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes and may affix the corporate seal as may be required on any document.

(b) Vice President: The Vice-President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

(c) Secretary: The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it, if the President does not, on all papers requiring said seal; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board.

(d) Treasurer: The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of accounts, cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the Members.

ARTICLE IX – COMMITTEES

The Board of Directors shall appoint an Architectural Control Committee, as provided in the Declaration, and a Nominating Committee as provided in these Bylaws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out purposes of the Association.

ARTICLE X - 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 XI – ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay to the Association an initial assessment, along with annual and special assessments, which are all secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessments shall bear interest from the date of delinquency at the rate of twelve percent (12%) per annum, and the Association may bring an action at law against the owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs, and reasonable attorney's 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 non-usage or abandonment of his Lot.

ARTICLE XII - CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the name of the Association, the year and state of incorporation and the words "Corporation not for profit".

ARTICLE XIII – AMENDMENT

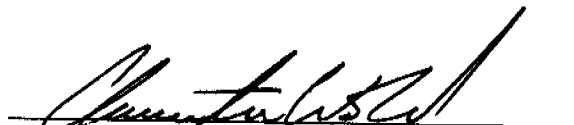
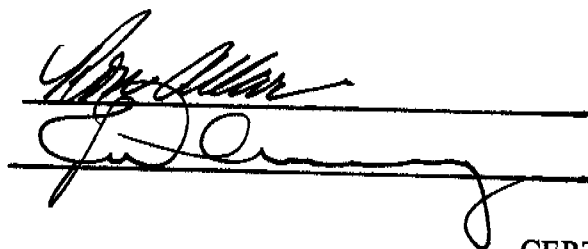
Section 1. These Bylaws may be amended from time to time at a regular or special meeting of the Directors, by a majority vote of the Directors.

Section 2. No amendment shall make any change in the rights, duties, obligations, or liabilities of the Declarant without the express written approval of the Declarant. No amendment shall be made that is in conflict with the Declaration or the Articles of Incorporation. HUD/VA/FHA, for so long as there is a Class B membership, shall have the right to veto amendments to these Bylaws.

ARTICLE XIV – CONFLICTS

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, we, being all of the Directors of THE LAKES II HOMEOWNERS ASSOCIATION, INC., have hereunto set our hands this 8th day of April, 2010.



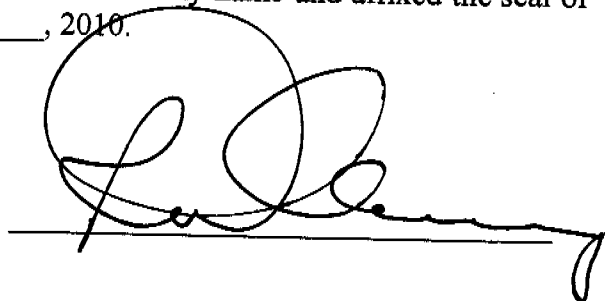
CERTIFICATION

I, Rick D. Murray, do hereby certify that:

I am the duly elected and acting Secretary of THE LAKES II HOMEOWNERS ASSOCIATION, INC., a Florida corporation not for profit; and

The foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted at a meeting of the Board of Directors thereof held on the 8th day of April, 2010.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this 8th day of April, 2010.



h:\data\aty\hsc\meridianlandholdings\the lakes ii\bylaws the lakes ii.docx