

INSTR # 2001418604

DECLARATION OF CONDITIONS, COVENANTS,

OR BK 11312 PG 0669

EASEMENTS AND RESTRICTIONS

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RICHARD AKE CLERK OF COURT
HILLSBOROUGH COUNTY
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FOR

MANGO GROVES

THIS DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS AND RESTRICTIONS FOR MANGO GROVES (hereinafter referred to as the "Declaration") is made as of this 30th day of November, 2001, by **AMERICAN HERITAGE HOMES USA, INC.**, a Florida corporation, whose address is 108 Park Place Blvd. Kissimmee, FL 34741 (hereinafter the "Declarant"), which declares hereby that the "Properties" described in Article II of this Declaration are and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens hereinafter set forth.

ARTICLE I
DEFINITIONS

The following words when used in this Declaration (unless the context shall prohibit) shall have the following meanings:

1.1 "Additional Properties" shall mean and refer to those lands, being more particularly described on Exhibit "A" attached hereto, which are not initially included among the Properties encumbered hereby, but which may be included among the Properties in the future upon Declarant's execution and recordation of a Supplemental Declaration in accordance with Article II below.

1.2 "Articles" means and refers to the Articles of Incorporation of the Mango Groves Homeowners' Association, Inc, a Florida corporation not for profit.

1.3 "Assessment" means and refers to a share of the funds required for payment of the expenses of the Association, which funds shall be assessed against a Lot Owner from time to time.

1.4 "Association" means and refers to **MANGO GROVES HOMEOWNERS' ASSOCIATION, INC.**, a Florida corporation not for profit, its successors and assigns.

1.5 "Board of Directors" means and refers to the board of directors of the Association.

1.6 "Builder " means an Owner who shall have acquired multiple vacant Lots for the purpose of erecting Residences thereon and selling same to third parties. For purposes of Article III hereof, a Builder shall be a Class A Member (unless such Builder shall be a person or entity to which the Declarant shall have delegated the Class B voting rights pursuant to Section 3.3 hereof or if Builder is the Declarant). At such time as a Residence is completed on a Lot and

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the Residence and Lot are deeded to a third party purchaser, the status of the Owner of such Lot as a Builder shall terminate with respect to such Lot.

1.7 "Bylaws" means and refers to the Bylaws of the Association.

1.8 "Common Area" means and refers to all real property and all personal property owned by the Association within easements or tracts of land, if any, shown or drawn on the Plat as owned or to be owned by the Association for the common use, enjoyment and benefit of the Owners and all property designated as common areas in any future recorded Supplemental Declaration (but not including any tract dedicated on the Plat to Hillsborough County or another public utility provider); together with the landscaping and any improvements thereon, including, without limitation, all structures, open space, conservation areas, retention areas, masonry walls, walkways, entrance markers, signs, and street lights, if any, but excluding any public utility installations thereon.

1.9 "Declarant" means and refers to American Heritage Homes USA, Inc., a Florida corporation, and its successors and assigns by virtue of such written instruments assigning the rights and obligations of Declarant hereunder which are recorded in the Public Records of Hillsborough County, Florida. A Lot purchaser, Lot Owner or Lot mortgagee shall not be deemed to be the Declarant by the mere act of purchase or mortgage of a Lot.

1.10 "Declaration" means and refers to this Declaration of Conditions, Covenants, Easements, and Restrictions for MANGO GROVES, as recorded in the Public Records of Hillsborough County, Florida, and as the same may be amended from time to time.

1.11 "Drainage Easements" means and refers to the drainage easements declared and reserved on the Plat.

1.12 "Entitled To Vote" means and refers to that Lot Owner who shall cast a vote for a Lot at an Association meeting. If more than one person or legal entity shall own any Lot, the Owners thereof shall determine among themselves who shall be the Member Entitled To Vote. Said determination shall be manifested upon a voting certificate, signed by all Owners of said Lot, and given to the Association Secretary for placement in the Association records. Notwithstanding anything contained herein to the contrary, all Lot Owners, whether or not Entitled To Vote, are assured of all other privileges, rights, and obligations of Association membership and shall be Members of the Association. In no event shall any mortgagee or other party holding any type of security interest in a Lot or the Residence constructed thereon is Entitled To Vote for purposes hereof, unless and until any of said parties obtain or receive fee simple title to such Lot.

1.13 "Institutional Lender" or "Institutional Mortgagee" means and refers to a bank, savings and loan association, insurance company, mortgage company, real estate investment trust, pension fund, pension trust, or any other generally recognized institutional-type lender or its loan correspondent, the Federal Home Loan Mortgage Corporation (FHLMC), the Federal

National Mortgage Association (FNMA), the Federal Housing Administration (FHA) or the Veteran's Administration (VA) and to any successor or assignee thereof.

1.14 "Lot" means and refers to any parcel of land as shown on the Plat of the Properties which Lot is intended to have a single family dwelling unit constructed thereon and any other property hereafter declared as a Lot by the Declarant and thereby made subject to this Declaration.

1.15 "Member" means and refers to all those Owners who are Members of the Association as provided in Article III hereof.

1.16 "Owner" means and refers to the record owner, whether one or more persons or entities, of the fee simple title to any Lot situated upon the Properties.

1.17 "Plat" means and refers to the plat of **MANGO GROVES - UNIT 1**, as recorded among the Public Records of Hillsborough County, Florida, and more particularly described in Section 2.1 below, together with any plat of additional land made subject to this Declaration and to the jurisdiction of the Association.

1.18 "Properties" means and refers to all of the properties as described in Section 2.1 of this Declaration, and additions thereto, as are now or hereafter made subject to this Declaration and to the jurisdiction of the Association, except such as are withdrawn from the provisions hereof in accordance with the procedures hereinafter set forth.

1.19 "Residence" means and refers to any residential building constructed on a Lot for which a certificate of occupancy has been duly issued.

ARTICLE II.
PROPERTY SUBJECT TO THIS DECLARATION;
ADDITIONS THERETO

2.1 Legal Description. The real property which, initially, is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration is located in Hillsborough County, Florida, and is more particularly described as follows:

ALL OF **MANGO GROVES - UNIT 1**, according to the Plat thereof, as recorded in Plat Book ____, Pages ____ through ____, of the Public Records of Hillsborough County, Florida.

all of which real property, and all additions thereto, is herein referred to collectively as the "Properties".

2.2 Supplements. So long as the Class B membership (as herein defined) shall exist and without the prior approval by the Federal Housing Administration or Veteran's Administration, Declarant may from time to time bring all or any portions of the Additional

Properties under the provisions hereof by recorded Supplemental Declarations (which shall not require the consent of then existing Owners or the Association, or any mortgagee) and thereby add to and include all or such portions of the Additional Properties as part of the Properties subject to this Declaration. To the extent that additional real property shall be made a part of the Properties as a common scheme, reference herein to the Properties should be deemed to be a reference to all of such additional property where such reference is intended to include property other than that legally described above. Nothing herein, however, shall obligate the Declarant to add to the initial portion of the Properties.

ARTICLE III.
MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

3.1 Membership. Every person or entity who is a record Owner of a fee or undivided fee interest in any Lot shall be a Member of the Association, shall acknowledge the authority of the Association as herein stated, and shall agree to abide by and be bound by the provisions of this Declaration, the Articles, the Bylaws and other rules and regulations of the Association. Notwithstanding anything else to the contrary set forth in this Section 3.1, any such person or entity who holds such interest merely as security for the performance of an obligation shall not be a Member of the Association. Membership in the Association shall be appurtenant to each Lot and may not be separated from ownership of said Lot. The record titleholder to each Lot shall automatically become a Member of the Association and shall be assured of all rights and privileges thereof upon presentation of a photostatically or otherwise reproduced copy of said Owner's deed to the Association Secretary for placement in the records of the Association. To the extent that said deed shall pass title to a new Lot Owner from an existing Lot Owner, membership in the Association shall be transferred from the existing Lot Owner to the new Lot Owner. In no event shall any mortgagee or other party holding any type of security interest in a Lot or the Residence constructed thereon be a Member of the Association unless and until any of said parties obtain or receive fee simple title to such Lot.

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

Class A. Class A Membership shall be all the Owners of Lots (except the Declarant and its successors and assigns as long as the Class B membership shall exist, and thereafter, the Declarant and its successors and assigns shall be Class A Members to the extent each would otherwise qualify). Class A Members shall be entitled to one (1) vote for each Lot in which they hold the interests required for membership. When more than one person holds such interest or interests in any Lot, all such persons shall be Members, but the vote for such Lot shall be exercised only by that one person who is Entitled To Vote. In no event shall more than one vote be cast with respect to any such Lot.

Class B. The Class B Member shall be the Declarant. The Class B Member shall be entitled to three (3) votes for each Lot owned by the Class B Member. All voting rights of Class B Membership shall be freely transferable, subject to this

Declaration, to third parties. The Class B membership shall cease and terminate upon the earlier to occur of the following: (i) November 15, 2005; (ii) at such time as seventy-five percent (75%) of the maximum number of Residences allowed for the Properties and Additional Properties have been conveyed to Class A Members, or (iii) sooner at the election of the Declarant (but only if American Heritage Homes USA, Inc. consents in writing to the transfer during any period of time during which American Heritage Homes USA, Inc., is an assignee of all or any portion of the Declarant's voting rights, which consent shall not be unreasonably withheld), whereupon the Class A Members shall be obligated to elect the Board of Directors and assume control of the Association. Upon termination of the Class B membership as provided for herein, the Class B membership shall convert to Class A membership with voting strength as set forth above for Class A membership.

3.3 Assignment of Voting Rights. For as long as the Declarant is a Class B Member, Declarant shall have the specific right to delegate all voting rights of the Class B Membership to a Builder specializing in the development of residential homes and purchasing and building residential homes upon multiple Lots within the Property.

3.4 General Matters. When reference is made herein, or in the Articles, Bylaws, Association rules and regulations, management contracts or otherwise, to a majority or specific percentage of Members, such reference shall be deemed to be reference to a majority or specific percentage of the votes of Members Entitled To Vote and not of the Members themselves.

ARTICLE IV.

PROPERTY RIGHTS IN THE COMMON AREAS; OTHER EASEMENTS

4.1 Members Easements. Each Member, and each tenant, agent and invitee of such Member or tenant, shall have a nonexclusive permanent and perpetual easement over and upon the Common Area for the intended use and enjoyment thereof in common with all other such Members, their tenants, agents and invitees, in such manner as may be regulated by the Association.

Without limiting the generality of the foregoing, such rights of use and enjoyment are hereby made subject to the following:

A. The right and duty of the Association to levy Assessments against each Lot for the purpose of maintaining the Common Area and facilities and providing services to Owners in compliance with the provisions of this Declaration and with the restrictions on the Plats covering the Properties, as recorded from time to time;

B. The right of the Association to suspend the Owner's voting rights for the nonpayment of Assessments against the Owner's Lot, which Assessments are delinquent in excess of ninety (90) days;

C. The right of the Association to suspend the Owner's use of the Common Area for a period not to exceed sixty (60) days and/or to levy fines against the Owner in accordance with Section 7.1 hereof in response to any infraction of lawfully adopted and published rules and regulations of the Association;

D. The right of the Association to adopt at any time and from time to time and enforce rules and regulations governing the use of the Lots and Common Area and all facilities at any time situated thereon, including the right to fine Members as hereinafter provided. Any rule and/or regulation so adopted shall apply until rescinded or modified as if originally set forth at length in this Declaration; and

E. The right to the use and enjoyment of the Common Area and facilities thereon shall extend to all permitted user's immediate family who reside with him, subject to regulation from time to time by the Association in its lawfully adopted and published rules and regulations.

4.2 Easements Appurtenant. The easements provided in Section 4.1 shall be appurtenant to and shall pass with the title to each Lot.

4.3 Maintenance. The Association shall at all times maintain in good repair and manage, operate and insure, and shall replace as required, the Common Area, together with the paving, drainage structures, walls, lighting fixtures and appurtenances, landscaping, sprinkler systems, entrance markers, signs, improvements and other structures installed by the Declarant or the Association situated on the Common Area, if any, with all such work to be done as ordered by the Board of Directors of the Association. In order to maintain, manage and operate the Common Area, and such appurtenances as are described above, the Association shall have the right and authority to enter into such contracts or agreements as the Board of Directors of the Association deem appropriate. Maintenance of any lighting fixtures shall include and extend to payment for all electricity consumed in their illumination.

Each Owner shall be responsible for the maintenance, replacement, and repair of all walls, gates, paving, structures and improvements located on his Lot, other than those specifically provided to be maintained by the Association.

4.4 Utility Easements. The Association shall have the right to grant permits, licenses, and easements over the Common Area for utilities, roads, and other purposes reasonably necessary or useful for the proper maintenance or operation of the Properties and the provision of services thereto. In addition, easements over, upon, under, through and across the Common Area are reserved to the Association and the Declarant, and may be declared or granted from time to time by the Declarant during any period that the Declarant shall own at least one (1) Lot, for such further utility, egress, ingress, or drainage easements over and across the Properties as may be required from time to time to serve any other or additional lands during the course of development of same, whether such additional lands become subject to the jurisdiction of the Association and part of the Properties or not. Regarding any easement declared by the Declarant, the joinder of the Association or any Lot Owner or Lot Owner's mortgagee shall not be required.

4.5 Drainage Easements. Drainage Easements have been declared and reserved as shown on and created by the Plat. Each Owner of any Lot encumbered by a Drainage Easement upon which a drainage swale is located shall be solely responsible for the repair, replacement, and maintenance of such drainage swale. Alteration, obstruction or removal of any drainage swales or drainage control facilities or structures is expressly prohibited. In the event any Owner fails to repair, replace and maintain any drainage swales, or alters or obstructs any piping, drainage swales, facilities or structures, the Association may repair, replace and maintain such drainage swales, facilities and structures and assess such Owner for the costs and expenses incurred in order to accomplish the foregoing. Each Owner hereby grants an easement and license to the Declarant and the Association over, upon and across such Owner's Lot in order to facilitate and accomplish the foregoing. Further, no Owner shall place, erect or construct any improvements or otherwise permit anything to occur within any Drainage Easement area which would in any way effect said Drainage Easement or any swale, pipe or drainage control facility or structure located therein or thereon, unless, in the event of construction of any improvements, such improvements have been approved by Declarant or the Architectural Review Board (as hereinafter defined).

4.6 Ownership. As shown on the Plat, certain of the Common Area is to be owned by the Association for the joint and several use, in common, of the Owners of all Lots that may from time to time constitute part of the Properties and such Owners' tenants, guests and invitees. Prior to conveyance of any Lot to a Class A Member, which is financed by a mortgage insured by HUD, FHA and/or VA, the Common Area shall be conveyed to the Association free of all liens and encumbrances except taxes for the year of conveyance, matters set forth on the Plat and those exceptions common to the Properties, which shall accept such conveyance. Beginning on the date this Declaration is recorded, the Association shall be responsible for the maintenance of the Common Area (whether or not then conveyed or to be conveyed to the Association), such maintenance to be performed in a continuous and satisfactory manner. It is intended that all real estate taxes and Assessments, if any, assessed against that portion of the Common Area owned or to be owned by the Association shall be proportionally assessed against and payable as part of the taxes of the Lots within the Properties. However, in the event that, notwithstanding the foregoing, any such taxes are assessed directly against the Common Area, the Association shall be responsible for the payment of the same, including taxes on any improvements and any personal property located thereon, which taxes accrue from and after the date this Declaration is recorded.

The Common Area cannot be mortgaged or conveyed without the approval of two-thirds (2/3) of each class of Members voting at an annual or special meeting of the membership of the Association.

4.7 Declarant Offices. Notwithstanding anything herein to the contrary, but subject to approval by the applicable government entities, if required by its laws and ordinances, the Declarant and/or its designated builder shall have the specific right to maintain upon any portion of the Properties (exclusive of Lots which have been conveyed to other Owners) sales, administrative, construction or other offices without charge, and appropriate easements of access

and use are expressly reserved unto the Declarant and its successors, assigns, employees and contractors, for this purpose.

4.8 Provision of Services. The Association is authorized, but shall not be required, to enter into agreements with service providers for the furnishing to all Lots and to all other appropriate locations on the Properties, cable or similar services for television, radio and other communication services, security systems, fire alarm systems and other similar systems and amenities.

4.9 Costs of Work and Services. All work performed and services provided pursuant to this Article and all expenses incurred hereunder shall be paid for by the Association through Assessments (either general or special) imposed in accordance herewith. No Owner may waive or otherwise escape liability for Assessments by non-use of the Common Area or Lots, abandonment of the right to use the Common Area, or by declining or refusing to utilize services provided by the Association.

ARTICLE V.
ASSOCIATION-COVENANT
FOR ASSESSMENTS

5.1 Creation of the Lien and Personal Obligations of the Assessments. Except as provided elsewhere herein, the Declarant (and each party joining in this Declaration or in any Supplemental Declaration), for all Lots within the Properties, hereby covenant and agree, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed or other conveyance, shall be deemed to covenant and agree, to pay to the Association the Working Capital Reserve Charge, annual Assessments or charges for the maintenance, management, operation and insurance of the Common Areas and other properties that may be otherwise used for the benefit of the Properties as provided elsewhere herein, including such reasonable reserves as the Association may deem necessary, capital improvement Assessments, as provided elsewhere herein and all other charges and Assessments hereinafter referred to, all such Assessments to be fixed, established and collected from time to time as herein provided. In addition, individual Assessments may be levied against particular Owners and Lots for expenses incurred against particular Lots and/or Owners to the exclusion of others. The Working Capital Reserve Charge and the annual, special and other Assessments, together with such interest thereon, attorneys fees and other costs of collection thereof, and any applicable late fees, shall be a charge on the land and shall be a continuing lien upon the Lot against which each such Assessment is made. The Working Capital Reserve Charge together with such interest thereon and costs of collection thereof as hereinafter provided, shall also be the personal obligation of the Buyer of such property. Each Assessment, together with such interest thereon and costs of collection thereof as hereinafter provided, shall also be the personal obligation of the person who is the Owner of such property at the time when the Assessment fell due. Except as provided herein with respect to individual Assessments which may be imposed on one or more Lots and Owners to the exclusion of others, and with respect to Assessments payable by Builders, all Assessments imposed by the Association shall be imposed against all Lots subject

to its jurisdiction equally. Reference herein to Assessments shall be understood to include reference to any and all of said charges whether or not specifically mentioned.

5.2 Purpose of Assessments. The regular Assessments levied by the Association shall be used exclusively for maintenance, repair, renovation, and construction upon the Common Areas and Drainage Easements, the maintenance and repair of such other properties as may be used for the benefit of the Properties, as specifically provided herein, capital improvements, reserves, operating costs of the Association, to pay any service provider for the cost of cable television, radio or other communication service, fire alarm, security alarm, or similar service, which is uniformly provided to all Lots without separate charge to the recipient, and to promote the health, safety, welfare and aesthetics of the Members of the Association and their families residing with them, their guests and tenants, all as provided for herein.

5.3 Reserves for Replacement. The Association shall be required to establish and maintain an adequate reserve fund for the periodic maintenance, repair, and replacement of improvements to the Common Area.

5.4 Working Capital Reserve Charge. Upon each closing of the sale of a Residence (i.e., both the initial closing and subsequent closings), the buyer of such Residence shall pay to the Association the sum of ONE HUNDRED FIFTY AND NO/100 DOLLARS (\$150.00) (The "Working Capital Reserve Charge") as a contribution to the working capital of the Association. Said amount shall not be considered as advance payment of annual Assessments.

5.5 Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual Assessment (not including special and other assessments) shall be THREE HUNDRED SIXTY AND NO/100 DOLLARS (\$360.00) per Lot per annum.

A. From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual Assessment may be increased each year, upon approval by a majority of the Board of Directors without a vote of the Membership, by an amount not greater than ten percent (10%) above the maximum annual Assessment for the previous year.

B. From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual Assessment may be increased by an amount greater than ten percent (10%) above the maximum Assessment for the previous year, as hereinabove provided, upon approval of two-thirds (2/3) of each class of Members present (in person or by proxy) and voting at a meeting duly called for such purpose.

C. The Board of Directors may fix the maximum annual Assessment at an amount not in excess of the maximum Assessment set forth above.

5.6 Limitation on Assessments against Builders; Effect upon Declarant. For each Lot owned by a Builder, until the Builder shall have completed the erection of a Residence on

such Lot and shall have deeded the Residence and Lot to a third party purchaser, the maximum annual Assessment imposed upon and payable by the Builder shall be fifty percent (50%) of the annual Assessment imposed upon Owners who are not Builders. So long as any Builder shall pay Assessments at such fifty percent (50%) rate, as aforesaid, Declarant, or its successors and assigns, shall pay any and all deficits of the Association. For purposes of this Section 5.6, the existence or nonexistence of a deficit for the Association shall be determined on the cash basis instead of the accrual basis.

Anything in this Declaration to the contrary notwithstanding, until a Builder shall have completed the erection of a Residence on a Lot owned by it and shall have deeded the Residence and Lot to a third party purchaser, except for the annual Assessment at the rate hereinabove provided for, there shall not be imposed on any Lot owned by a Builder any individual Lot Assessment, special Assessment, Working Capital Reserve Charge or other charge provided for herein.

5.7 Exterior Maintenance. The Owner of each Lot shall be obligated to (i) install, maintain in good working condition and, if necessary, replace an irrigation system on such Owner's Lot and (ii) install and at all times maintain any appropriate variety of St. Augustine or Bahia sod on all portions of said Lot to be covered by grass on such Owner's Lot. The Owner of each Lot shall maintain the exterior of the Residence and the Lot (including, but not limited to, all St. Augustine or Bahia sod, all landscaping and an irrigation system) at all times in a neat and attractive manner and as provided elsewhere herein. Upon the Owner's failure to do so, the Association may at its option, after giving the Owner fifteen (15) days' prior written notice sent to his last known address, or to the address of the subject premises, perform such reasonable maintenance and make such repairs as may be required to restore the neat and attractive appearance of the Lot and the exterior of the Residence located thereon. The cost of any of the work performed by the Association upon the Owner's failure to do so shall be immediately due and owing from the Owner of the Lot and shall constitute an individual Assessment against the Lot on which the work was performed, collectible in a lump sum and secured by the lien against the Lot as herein provided. No bids need to be obtained by the Association for any such work and the Association shall designate the contractor in its sole discretion.

5.8 Capital Improvements. Funds which are necessary for the addition of capital improvements (as distinguished from repairs and maintenance) relating to the Common Area or other properties used for the benefit of the Properties and which have not previously been collected as reserves or are otherwise available to the Association shall be levied by the Association as special Assessments only upon approval by two-thirds (2/3) of each class of Members present (in person or by proxy) and voting at a meeting duly called for such purpose.

5.9 Notice and Quorum for Any Action Authorized Under Sections 5.5 and 5.7. Written notice of any meeting called for the purpose of taking any action authorized under Sections 5.5 or 5.7 shall be sent to all Members not less than thirty (30) days, nor more than sixty (60) days, in advance of the meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast sixty percent (60%) 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 one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

5.10 Date of Commencement of Annual Assessments; Due Dates. The annual Assessments provided for in this Article shall commence on the first day of the month next following the recordation of these covenants and shall be applicable through December 31 of such year. Each subsequent annual Assessment shall be imposed for the year beginning January 1 and ending December 31. The annual Assessments shall be payable in advance in one (1) annual payment, or in quarterly or biannual installments in the discretion of the Board of Directors of the Association. At the time of the closing of the sale of any Lot, the purchaser thereof shall pay to the Association an amount equal to the lesser of: (i) the full annual Assessment multiplied by a fraction, the numerator of which is the number of days remaining in the year of closing (including the date of closing) and the denominator of which is 365 or (ii) the portion of the full annual Assessment otherwise due and owing for the remainder of the year. The due date of any special Assessment shall be fixed in the Board resolution authorizing such Assessment.

5.11 Certain Duties of the Board of Directors. The Board of Directors of the Association shall fix the date of commencement and the amount of the Assessment against each Lot subject to the Association's jurisdiction for each Assessment period, to the extent practicable, at least thirty (30) days in advance of such date or period, and shall, at that time, prepare a roster of the Lots and Assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner. Written notice of the Assessment shall thereupon be sent to every Owner subject thereto at least thirty (30) days prior to the date for payment of the first installment thereof, except as to emergency Assessments. Subject to other provisions hereof, the Association shall, upon demand at any time, furnish to any Owner liable for an Assessment a certificate in writing signed by an officer of the Association, setting forth whether such Assessment has been paid as to any particular Lot. Such certificate shall be conclusive evidence of payment of any Assessment to the Association therein stated to have been paid. The Association may charge a reasonable fee for such certificate. The Association, through the action of its Board of Directors, shall have the power, but not the obligation, to enter into an agreement or agreements from time to time with one or more persons, firms or corporations (including affiliates of the Declarant) for management services or for other services beneficial to the Association or the proper operation and maintenance of the Properties. The Association shall have all other powers provided elsewhere herein, in its Articles of Incorporation and its Bylaws.

5.12 Effect of Non-Payment of Assessment; the Personal Obligation; the Lien; Remedies of the Association. If the Assessments (or installments), whether general or special, are not paid on the date(s) when due, then such Assessments (or installments) shall become delinquent (and, at the option of the Declarant, all general Assessments attributable to the Lot for the existing fiscal year shall be accelerated and shall become immediately due and payable) and shall, together with late charges, interest (at the rate of 12% per annum on the outstanding balance due or the maximum legally allowable rate, whichever is less) and the cost of collection

thereof as hereinafter provided, thereupon become a continuing lien on the Lot which shall bind such property. Each Assessment against a Lot shall also be the personal obligation of the Owner at the time the Assessment fell due.

If any installment of an Assessment is not paid within fifteen (15) days after the due date, at the option of the Association, a late charge not greater than TWENTY-FIVE AND NO/100 DOLLARS (\$25.00) in each calendar month may be imposed and all such sums shall bear interest from the dates when due until paid at the highest lawful rate and the Association may bring an action at law against the Owner(s) personally obligated to pay the same or may record a claim of lien against the Lot on which the Assessments and late charges are unpaid and may foreclose the lien against the Lot on which the Assessments and late charges are unpaid, or may pursue one or more of such remedies at the same time or successively. The Association shall also have the right to recover its attorneys' fees (including paralegal fees) and costs, including without limitation costs and expenses for consultation with an attorney because any such sums have not been paid, and costs and expenses charged by such attorney for services related in any way to the failure by an Owner to pay such sums (such as without limitation fees for telephone calls, preparation of correspondence, attendance at meetings, etc.), whether or not suit is filed. Further, in addition to the foregoing, in the event suit is filed, the Association shall have the right to recover all attorneys' fees, paralegals' fees and costs incurred before trial, at trial and upon all appellate levels.

In addition to the rights of collection stated above, if any installment of an Assessment is not paid within fifteen days after the due date, the Board of Directors of the Association may impose a fine on the Lot for which the Assessment was not paid (and the fine shall also be the personal obligation of the Owner). The fine shall be imposed by the Board of Directors at a duly called meeting in accordance with the Bylaws of the Association, and notice of the fine shall be sent to the Owner by certified mail, return receipt requested, postage prepaid. The Owner may appeal the fine to the Board of Directors in accordance with reasonable procedures prescribed by the Board of Directors from time to time. The determination of the Board of Directors with respect to any such appeal shall be final.

If any such fine is not timely paid, then the fine, together with reasonable costs of collection thereof as provided herein, shall, at the option of the Association, become a continuing lien on the Lot which shall bind such Lot. Additionally, the fine shall also be the personal obligation of the Owner at the time the fine is assessed.

The Association may, at its option, bring an action at law against the Owner personally obligated to pay the fine or may record a claim of lien against the Lot for which the fine is unpaid, and may foreclose the lien against the Lot on which the fine is unpaid, or may pursue one or more such remedies at the same time or successfully.

Any and all persons acquiring title to or an interest in a Lot as to which the Assessment is delinquent, including without limitation persons acquiring title by operation of law and by judicial sales, shall not be entitled to the occupancy of such Lot or the enjoyment of the Common Area until such time as all unpaid and delinquent Assessments due and owing from the selling

Owner have been fully paid, and no sale or other disposition of Lots shall be permitted until an estoppel letter is received from the Association acknowledging payment in full of all Assessments and other sums due; provided, however, that the provisions of this sentence shall not be applicable to the mortgagees and purchasers contemplated by Section 5.13 of this Article.

It shall be the legal right of the Association to enforce payment of the Assessments hereunder. Failure of the Association to send or deliver bills shall not, however, relieve Owners from their obligations hereunder.

In addition to the rights of collection of Assessments, late charges, and fines stated in this Section, the Association has the right to suspend an Owner's voting rights for any Assessment against the Owner's Lot when payment of the Assessment is delinquent in excess of sixty (60) days.

5.13 Subordination of the Lien. The lien of the Assessments provided for in this Article shall be subordinate to the lien of any first mortgage to any Institutional Lender and which is now or hereafter placed upon any property subject to Assessment; provided, however, that any such mortgagee when in possession of any receiver, and in the event of a foreclosure, any purchaser at a foreclosure sale, and any such mortgagee acquiring a deed in lieu of foreclosure, and all persons claiming by, through or under such purchaser or mortgagee, shall hold title subject to the liability and lien of any Assessment coming due after such foreclosure (or conveyance in lieu of foreclosure). Any unpaid Assessment which cannot be collected as a lien against any Lot by reason of the provisions of this Section shall be deemed to be an Assessment divided equally among, payable by and a lien against all Lots subject to Assessment by the Association, including the Lots as to which the foreclosure (or conveyance in lieu of foreclosure) took place.

5.14 Collection of Assessments. The Association shall collect the Assessments of the Association.

5.15 Effect on Declarant. Notwithstanding any provision that may be contained to the contrary in this Declaration, the Articles or the Bylaws, for as long as (i) the Declarant or its successors and assignees is the Owner of any Lot on which a Residence has not yet been constructed, and (ii) the Declarant has Class B voting rights, in lieu of payment of the full Assessments for each such Lot, the Declarant or its successors and assignees shall pay the amount of any deficits incurred by the Association for expenses incurred in excess of the amounts collected as Assessments. For purposes hereof, the existence, or nonexistence of a deficit for the Association shall be determined on cash basis accounting instead of accrual basis. At the earlier of the time (i) Declarant has turned over the Association and no longer has Class B voting rights or (ii) Declarant has sold and conveyed all its Lots in the Properties, Declarant shall not have further liability for funding any deficits of the Association.

ARTICLE VI.
CERTAIN RULES AND REGULATIONS

6.1 Land Use and Building Type. No Lot shall be used except for residential purposes. No building constructed on a Lot shall be used except for residential purposes. No business, commercial, industrial, trade, professional or other non-residential activity or use of any nature or kind shall be conducted on any Lot. No building shall be erected, altered, placed or permitted to remain on any Lot other than one Residence. Temporary uses by Declarant or its assigns for model homes, sales displays, parking lots, sales offices, construction offices and other offices, or any one or combination of such uses, shall be permitted. No changes may be made in buildings erected by the Declarant (except if such changes are made by the Declarant) without the consent of the Architectural Review Board as provided herein.

6.2 Opening Walls; Removing Fences or Landscaping. No Owner shall make or permit any opening to be made in any Declarant or Association erected wall or fence, except as such opening is installed by Declarant or the Association. No such building wall or masonry wall or fence, or any associated landscaping or buffer improvements, shall be demolished or removed without the prior written consent of the Declarant and the Architectural Review Board. Declarant shall have the right but shall not be obligated to assign all or any portion of its rights and privileges under this Section to the Association.

6.3 Easements. Easements for installation, replacement, connection to, disconnection from, and maintenance of utilities are reserved as shown on the recorded Plats covering the Properties and as provided herein. Within these easements, no structure, planting or other material may be placed or permitted to remain that will interfere with or prevent the maintenance of utilities, unless said structure, planting or other material has been so placed by the Declarant or the Association or has been so placed with the permission of the Architectural Review Board. The area of each Lot covered by an easement and all improvements in the area shall be maintained continuously by the Owner of the Lot, except as provided herein to the contrary and except for installations for which a public authority or utility company is responsible. The appropriate water and sewer authority, electric and gas utility company, telephone company, the Association, and Declarant and their respective successors and assigns, shall have a perpetual easement for the installation, replacement, connection to, disconnection from, and maintenance, all underground, of water lines, sanitary sewers, storm drains, gas and electric, telephone and security lines, cables and conduits, under and through the utility and drainage easements, as the case may be, as shown on the Plats. Declarant and its designees, successors and assigns, shall have a perpetual easement for the installation and maintenance of cable, radio, television and security lines within utility easement areas shown on the Plat as well as a perpetual easement for such purpose under and across each Lot from such easement areas to the Residence and other improvements constructed on such Lot.

6.4 Nuisances. No noxious, offensive or unlawful activity shall be carried on upon or about the Properties, nor shall anything be done thereon which may be or may become an annoyance or nuisance to other Owners.

6.5 Temporary and Other Structures. No structure of a temporary character, or storage shed, utility shed or similar structure, greenhouse, trailer, tent, mobile home, motor home, or recreational vehicle, shall be permitted on the Properties at any time or used at any time as a residence, either temporarily or permanently, except by the Declarant during construction. No gas tank, gas container or gas cylinder shall be permitted to be placed on or about the outside of any Residence or on or about any ancillary building, unless approved by the Architectural Review Board, and if approved must be buried or enclosed by a structure approved by the Architectural Review Board.

6.6 Signs. No sign of any kind shall be displayed to the public view on the Properties, except any sign used by the Declarant to advertise the company or builder, project, sales or other matters during the construction and sales period. No sign of any kind shall be permitted to be placed inside a home or on the outside walls of the home so as to be visible from the exterior or on any fences on the Properties, nor on the Common Area, nor on dedicated areas, if any, nor on entryways or any vehicles within the Properties, except such as are placed by the Declarant. Provided, however, one (1) discreet, professionally prepared "For Sale" sign of not more than three (3) square feet may be placed on the street side of the Lot, subject to prior approval by the Architectural Review Board.

6.7 Oil and Mining Operation. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in the Properties, nor on dedicated areas, nor shall oil wells, tanks, tunnels, mineral excavation or shafts be permitted upon or in the Properties. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any portion of the land subject to these restrictions.

6.8 Animals and Pets. No reptiles, livestock, poultry or animals of any kind, nature or description shall be kept, bred or raised upon the Properties, except for dogs, cats, aquarium-kept fish or birds ("Authorized Pets") which may be kept, raised and maintained upon the Properties, provided that the same are not kept, raised or maintained thereon for business or commercial purposes or in number deemed unreasonable by the Declarant or the Association, in the exercise of their reasonable discretion. Numbers in excess of two (2) of each type of Authorized Pet (other than aquarium-kept fish) shall, *prima facie*, be considered unreasonable. Notwithstanding the foregoing, no Authorized Pet may be kept, raised or maintained on the Properties under circumstances which, in the good faith judgment of the Declarant or the Association, shall constitute an unreasonable annoyance, hazard, or nuisance to residents in the vicinity or an unreasonable interference with the comfortable and quiet use, occupation and enjoyment of other Lots or portions of the Properties. The Association may investigate all complaints received with respect to any pet being maintained on any property and shall notify the property Owner of such complaint. If three or more complaints of behavior constituting an annoyance, hazard or nuisance with respect to a pet shall be received and, upon investigation, found to be justified, the Association may, by written notice to the Owner, require the permanent removal of such pet; provided however, that if such pet shall be deemed to constitute an imminent danger to others, the Association may without prior notice to the owner of such pet, effect, or require, immediate removal thereof. The Association may utilize self-help in effecting

the removal of any such offending pet, may obtain the assistance of appropriate governmental agencies or animal control officials, or may seek appropriate affirmative injunctive relief. The grant to the Association of the foregoing powers concerning removal of pets shall not be deemed to impose any duty or obligation to take any such action upon the Association, its directors or members, or any liability for failure to take such action under any circumstances.

For purposes of Section 7.1 hereof, a separate violation shall be deemed to exist for each day an Owner fails to comply with a request from the Association to remove an offending pet.

6.9 Architectural Control. No building, addition, wall, fence or other structure or improvement of any nature or kind (including mailboxes, landscaping and exterior paint and finish) shall be erected, placed or altered on any Lot until the construction plans and specifications and a plan showing the location of the structure and landscaping, or composition of the materials used therefor, as may be required by the Architectural Review Board (sometimes referred to herein as the "ARB") have been approved in writing by the ARB named below and all necessary governmental permits are obtained. Each building, addition, wall, fence, mailbox or other structure or improvement of any nature, together with the landscaping, shall be erected, placed or altered upon the premises only in accordance with the plans and specifications and plot plan so approved and applicable governmental permits and requirements. The ARB shall have the right, in its sole and absolute discretion, to refuse approval of plans, specifications and plot plans, or any of them, based on any ground, including purely aesthetic grounds. Any change in the exterior appearance of any building, wall, fence, mailbox or other structure or improvements, and any change in the appearance of the landscaping, shall be deemed an alteration requiring approval. The ARB shall have the power to promulgate such rules and regulations as it deems necessary to carry out the provisions and intent of this Section.

So long as the Class B Membership exists, the ARB shall be appointed by the Declarant. Thereafter, the ARB shall be a committee composed of or appointed by the Board of Directors of the Association. During the period in which the Declarant appoints the membership of the ARB, the ARB shall have three (3) members. At such time as the Board of Directors appoints the ARB members, the ARB shall have any number of members, but never less than three (3), as deemed appropriate by the Board of Directors.

The address of the ARB shall be the address of the Declarant or the Association, depending on which party appoints its membership. The Board of Directors of the Association and the ARB may employ personnel and consultants to assist the ARB at the expense of the Association. The members of the ARB shall not be entitled to any compensation for services performed pursuant to this Declaration. The ARB may at its option charge a reasonable fee to act on submissions to it. Additionally, the ARB shall act on submissions to it, or request further information thereon, within thirty (30) days after receipt of the same (and all further documentation required) or else the request shall be deemed approved. The foregoing provisions regarding ARB approval shall not be applicable to the Declarant or to construction activities conducted by the Declarant.

Notwithstanding anything herein to the contrary, the ARB, in its sole and absolute discretion, may grant a variance as to any of the restrictions, conditions and requirements set forth in this Article so long as, in the judgment of the ARB, the noncompliance for which the variance is granted is not of a substantial nature and the granting of the variance shall not unreasonably detract from the use and enjoyment of adjoining Lots and the Properties. In no event shall the granting of a variance in one instance require the ARB to grant a similar or other type of variance in any other instance, it being understood that the granting of variances from the restrictions, conditions and requirements of this Article shall be in the sole and absolute discretion of the ARB.

Notwithstanding anything herein to the contrary, prior to commencing construction of improvements approved by the ARB, the Owner of the Lot upon which such improvements shall be installed shall obtain any and all appropriate governmental permits and approvals and shall construct the improvements in compliance with all terms and conditions of such permits and approvals.

The ARB 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, by reason of 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 provisions of this Section of this Declaration, or for any mistake in judgment, negligence, misfeasance, or nonfeasance related to or in connection with any such decision, approval or disapproval, and each Owner by acquiring title to any Lot or 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 such parties.

6.10 Exterior Appearances and Landscaping. The paint, coating, stain and other exterior finishing colors on all Residences, walls and fences may be maintained as that originally installed, without prior approval of the Architectural Review Board, but prior approval of the Architectural Review Board shall be necessary before any such exterior finishing color is changed.

6.11 Commercial Trucks, Trailers, Campers and Boats. No trucks except trucks which (1) have one-half ton capacity or less, (2) have no lettering, (3) have no roof racks or similar racks and (4) do not appear to be commercial trucks (the determination about appearance shall be made by the ARB in its sole discretion) or commercial vehicles, or campers, mobile homes, motorhomes, house trailers or trailers of every other description, recreational vehicles, motor cycles, boats, boat trailers, horse trailers or vans, shall be permitted to be parked or to be stored at any place on the Properties, nor in dedicated areas, unless same shall be parked or stored entirely within and fully enclosed by a garage. This prohibition of parking shall not apply to temporary parking of trucks and commercial vehicles, such as for pick-up and delivery and other commercial services, nor to non-commercial vans for personal use which are in acceptable condition in the sole opinion of the Board of Directors (which favorable opinion may be changed at any time), nor to any vehicles of the Declarant or those required by any builder during construction on any Lot. No on-street parking shall be permitted that either impairs traffic flow

or is not permitted by applicable governmental regulations. In the event any provision of this covenant is breached, the Declarant or the Association may have said truck, commercial vehicle, camper, mobile home, motorhome, house trailer, other trailer, recreational vehicle, boat, boat trailer, or horse trailer towed from the Properties at the Lot Owner's sole cost and expense, and an individual Assessment may be levied therefor against such Owner.

6.12 Garbage and Trash Disposal. No garbage, refuse, trash or rubbish shall be deposited except as permitted by the Association. The requirements from time to time of the applicable governmental authority for disposal or collection of waste shall be complied with. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition. All garbage and trash containers and their storage areas and the like shall be kept within a garage, placed inside an enclosure approved by the ARB, or behind opaque walls attached to and made a part of the Residence on each Lot, and otherwise in conformity with applicable rules, regulations and approvals. Such containers may not be placed out for collection sooner than the night prior to scheduled collection and must be removed within the night of collection.

6.13 Fences. No fence, wall or other similar structure shall be erected on any Lot unless the materials therefor and color thereof are in accordance with such standards as may be adopted by the ARB and the location and dimensions thereof are approved by the ARB. The ARB shall have the right to adopt such standards, as it deems advisable in regard to the location and height of and colors and materials for any fences installed within the Properties. In no event shall any wall or fence exceed six (6) feet in height.

6.14 Mailboxes. No mailboxes or similar improvement shall be installed on any Lot unless the location thereof has been approved by the ARB and the materials therefor and color thereof have been approved by the ARB and are in accordance with such standards for materials and colors as may be adopted by the ARB.

6.15 No Drying. To the extent lawful, no clothing, laundry or wash shall be aired or dried on any portion of the Properties which is visible from the adjacent Lots, or the streets, or any other adjoining portion of the Properties.

6.16 Unit Air Conditioners. No air conditioning units may be mounted through windows or walls or on any roof.

6.17 Exterior Antennas. No exterior antennas, microwave antennas, satellite antennas, microwave dish, satellite dish, transducers, or signal amplification systems for use in connection with television or radio equipment or the like shall be permitted on any Lot or improvement thereon without the prior written approval of the ARB which may be granted or denied in the sole discretion of the ARB, except that Declarant shall have the right to install and maintain community antenna, microwave antenna, dishes, satellite antenna and radio, television and security lines. Notwithstanding anything in this Declaration to the contrary, in the event a provision(s) set out above in this Section 6.17 are inconsistent with any applicable state or federal law, rule or regulation, then the provision(s) set out above shall be automatically

modified so that they are consistent with any such applicable state or federal law, rule or regulation.

6.18 Chain Link Fences. No chain link fences shall be permitted on any Lot or portion thereof, unless installed by Declarant during construction periods or around any retention or detention areas as required by the applicable government authorities.

6.19 Recreational Facilities. No tree houses, or skateboard or bicycle ramps shall be constructed or placed upon the Properties. Basketball goals may be permitted, subject to the approval of the ARB as to the type of equipment to be installed and the location thereof.

6.20 Garage. Each Residence shall have a garage large enough to accommodate at least one (1) car. Garage doors shall remain in operating condition.

6.21 Residence. Each Residence constructed on a Lot shall have a minimum 900 square feet of heated and cooled living area.

6.22 Roofs. The roofs of the main body of all buildings and other structures, including the Residence, shall be pitched. No flat roofs shall be permitted without the approval of the Declarant (for as long as Declarant is a Class B Member) and the ARB. The Declarant and ARB may, in their discretion, approve flat roofs on part of the main body of a building if architecturally compatible with the remainder of the roof structure, the particular building on which it is to be constructed and all adjacent residences and other structures. All roofs shall be constructed of clay, tile, cement tile, slate, fiberglass, standing seam copper, cedar shake shingle, architectural shingle, 3-tab shingle or other materials approved by the ARB. The ARB, in its sole discretion, must approve all roof colors. No pure white, pure black or pure primary colored roofs shall be permitted. Notwithstanding the foregoing, an aluminum roof on a screened porch in the rear of a residence is acceptable.

6.23 Precedence Over Less Stringent Governmental Regulations. In those instances where the covenants, conditions and restrictions set forth in this Article set or establish minimum standards in excess of the ordinances, regulations and requirements of the applicable government authorities, including without limitation, building and zoning regulations, the covenants, conditions and restrictions set forth in this Article shall take precedence and prevail over any such less stringent ordinances, regulations and requirements.

6.24 Solar Panels. Solar panels may only be constructed on the roof of a Residence so as not to be visible from the adjacent street (or configured so as to minimize visibly in the case of corner Lots) and only after review and approval by the ARB, in its sole and absolute discretion. The ARB reserves the right to promulgate such performance standards and requirements, as it may deem desirable in regard to the installation of solar panels. To the extent applicable laws require otherwise, then the terms and conditions of applicable laws shall control.

6.25 Additional Rules and Regulations. In addition to the foregoing, the Association shall have the right, power and authority, subject to the prior written consent and approval of

Declarant, to promulgate and impose rules and regulations governing and/or restricting the use of the Properties and Lots, including without limitation rules and regulations relating to the placement or installation of any type of improvement on any Lot, and to thereafter change, modify, alter, amend, rescind and augment any of the same; provided, however, that no rules and regulations so promulgated shall be in conflict with the provisions of this Declaration. Any such rules and regulations so promulgated by the Association shall be applicable to and binding upon all the Properties and the Owners thereof and their successors and assigns, as well as all guests and invitees of and all parties claiming by, through or under such Owners.

ARTICLE VII.
ENFORCEMENT

7.1 Compliance by Owners. Every Owner shall comply with the terms, provisions, restrictions and covenants set forth herein and any and all rules and regulations, which from time to time may be adopted by the Board of Directors of the Association. The Association may suspend an Owner's use of the Common Area for a period not to exceed sixty (60) days and/or the Association Board of Directors may levy fines against an Owner if the Owner is in violation of any of the terms, provisions, restrictions and covenants set forth herein and/or the rules and regulations of the Association. Suspension of the right to use the common area cannot include impairment of an Owner's right to have ingress to and egress from the Owner's Lot. A fine may not exceed ONE THOUSAND AND NO/00 DOLLARS (\$1,000.00) per violation.

Prior to imposing a fine or suspension on an Owner for the violation of the terms, provisions, restrictions and covenants set forth herein and/or the rules and regulations of the Association, the Association shall provide the Owner with fourteen (14) days notice and an opportunity for a hearing before a committee of three (3) members appointed by the Board who are not officers, directors, or employees of the Association, or the spouse, parent, child, or sibling of an officer, director or employee.

The Association Board of Directors shall have the power to waive, cancel or reduce any fine imposed upon any Owner.

7.2 Enforcement. The Declarant, the Association, the Association Board of Directors, the ARB, each Owner, or any other party as provided herein shall have the right to enforce this Declaration and the covenants, restrictions and provisions hereof including without limitation bringing the actions and filing and foreclosing the liens described in Article V hereto. In addition, the applicable county or governing water management district shall have the right to enforce this Declaration with respect to the operation and maintenance of the stormwater management system for the Properties. Enforcement of this Declaration and the covenants, restrictions and provisions hereof may be accomplished by any proceeding at law or in equity, including without limitation, an action for damages and injunctive relief. The Association shall have the right to suspend the voting rights and use of the Common Area of any defaulting Owner. Failure to enforce any covenant, restriction or provision hereof shall not be deemed a waiver to do so thereafter. The defaulting and/or offending Owner shall be responsible for all costs incurred in enforcement of this Declaration, including but not limited to, attorney, paralegal

and legal assistant fees, costs and expenses, related fees, costs and expense, court costs and witness and expert fees and costs, whether suit be brought or not, and whether in settlement, in any declaratory action, at trial or on appeal.

ARTICLE VIII.
DRAINAGE SYSTEM

8.1 Drainage Easements. Drainage flow shall not be obstructed or diverted from Drainage Easements. The Association may, but shall not be required to, cut drainways for surface water wherever and whenever such action may appear to the Association to be necessary to maintain reasonable standards of health, safety and appearance. The rights reserved hereunder shall extend to reasonable use of drainways on a Residence. These rights include the right to cut any trees, bushes or shrubbery, make any gradings of the soil, or to take any other action reasonably necessary to install utilities and to maintain reasonable standards of health and appearance but shall not include the right to disturb any improvements erected within the Properties that are not located within the specific easement areas designated on the plat of the Properties or in this Declaration. Except as provided herein, existing drainage and drainage channels (or areas reserved for such purposes) shall not be altered so as to divert the flow of water onto adjacent parcels or into sanitary sewer lines. The Association shall have the sole control over elevations and slopes within Drainage Easements and no Owner may alter any such elevations except upon written consent of the Association. No person shall alter the drainage flow of the surface water or stormwater management system, including buffer areas or swales, without the prior written approval of the applicable governing water management district and the Association.

8.2 Maintenance, Operation, and Repair of Surface Water or Stormwater Management System. The Association shall maintain the surface water or stormwater management system within the Properties. Maintenance of the surface water or stormwater management system shall mean the exercise of practices which allow the systems to provide drainage, water storage, conveyance, or other surface water or stormwater management capabilities as permitted by the applicable governing water management district. Any repair or reconstruction of the surface water or stormwater management system shall be as permitted or, if modified, as approved by the applicable governing water management district. The Association shall operate, maintain, and manage the surface water or stormwater management system in a manner consistent with the applicable water management district permit requirements and applicable water management district rules, and shall assist in the enforcement of that portion of this Declaration relating to the surface water or stormwater management system. The Association shall adopt standards of maintenance and operation for the surface water or stormwater management system required by this Declaration.

ARTICLE IX.
ASSIGNABILITY OF DECLARANT'S RIGHTS

For as long as Declarant is a Class B Member, as provided herein and governed by Section 3.2 above, Declarant shall have the specific right to delegate all powers and rights

granted to the Declarant by this Declaration, the Articles and the Bylaws to any builder specializing in the development of residential homes and purchasing and building residential homes upon multiple Lots within the Property.

ARTICLE X.
GENERAL PROVISIONS

10.1 Municipal Service Taxing Units. Upon acceptance of any deed or other instrument conveying title to any Lot, each Owner thereof acknowledges that each such Lot is or may be located in one or more municipal service taxing units (each is an "MSTU") for the purpose of providing street lighting or any other purposes for which an MSTU may be established under Florida law. Each Owner agrees to be subject to and bound by such MSTUs and to pay all fees, charges, surcharges, levies and Assessments, in whatsoever nature or form, relating to said districts and/or to the Owner's lot. Further, each Owner agrees that it shall cooperate fully with Declarant or the Association (including joining in any applications for MSTUs) in connection with any efforts of Declarant or the Association to include the Properties in any MSTUs, and to execute any documents or instruments that may be required to do so.

10.2 Insurance and Fidelity Bonds. The Association shall obtain and maintain in effect casualty and liability insurance and fidelity bond coverage in form and amounts as may be deemed advisable by the Board of Directors of the Association. Additionally, the Association may obtain and maintain in effect "directors and officers insurance" in form and amounts as may be deemed advisable by the Board of Directors of the Association.

10.3 Duration; Amendment. The covenants and restrictions of this Declaration shall run with and bind the Properties for a term of thirty (30) years from the date this Declaration is recorded, after which they shall be automatically extended for successive periods of ten (10) years; unless during the last year of its applicability during the initial term or any extension period no less than seventy-five percent (75%) of each class of Members at a duly noticed meeting of the Association vote in person or by proxy to terminate this Declaration. Provided, however, no such termination shall void the duty of the Association to maintain the stormwater management system unless specifically allowed by the applicable governing water management district. Further, no such termination shall have the effect of terminating any easements herein provided or reserved. Except as otherwise provided herein, this Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than eighty percent (80%) of the Lot Owners, and thereafter by an instrument signed by not less than seventy-five percent (75%) of the Lot Owners, (provided, however, this Declaration may be amended by Declarant to clarify ambiguities and scrivener's errors). Any such amendment must be recorded in the public records of the county in which the Properties are located.

Notwithstanding any provision to the contrary herein contained, the Declarant shall have the right to amend this Declaration without the consent, approval or joinder of any other person or Owner, except the Federal Housing Administration (FHA) or the Veterans Administration (VA), or the Federal National Mortgage Association (FNMA), or the Federal Home Loan Mortgage Corporation (FHLMC), if such amendment is required in order to cause

this Declaration to comply with applicable FHA, VA, FNMA and/or FHLMC requirements. Such an amendment to this Declaration, the Articles of Incorporation or Bylaws of the Association need be signed and acknowledged only by the Declarant and need not be approved by the Association, Lot Owners or lienors or mortgagees of Lots, whether or not elsewhere required for an amendment.

10.4 Notice. Any notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly sent when personally delivered or mailed, postage prepaid, to the last known address of the person who appears as a Member or Owner on the records of the Association at the time of such mailing.

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

10.6 Transferability of Declarant's Rights and Interests. It is specifically understood and agreed that Declarant might (but will not necessarily) sell all or a portion of the Property, and in connection therewith, Declarant might assign to a third party all rights and obligations of Declarant hereunder. In such event, the successor declarant shall be the Declarant under this Declaration and shall have all of the rights, and all of the obligations of a Declarant, which are set forth herein.

10.7 Annexation of Additional Land. Other than annexation of the Additional Properties while Declarant is a Class B Member as provided in and governed by Section 2.2 above, additional residential property and common area may be annexed to the Properties with the consent of two-thirds (2/3) of each class of Members.

10.8 Effective Date. This Declaration shall become effective upon its recordation in the public records of the county in which the Properties are located.

10.9 FHA/VA Approval. Notwithstanding anything herein to the contrary, as long as there is a Class B Membership in the Association, the following actions will require the prior approval of the FHA or the VA: annexation of additional properties; mergers and consolidation; mortgaging and/or dedication of Common Areas; dissolution; and amendment of this Declaration (except amendments by Declarant to clarify ambiguities and scrivener's errors).

10.10 Conflict. This Declaration shall take precedence over conflicting provisions in the Articles and Bylaws of the Association and the Articles shall take precedence over the Bylaws.

10.11 Standards for Consent, Approval, Completion, Other Action and Interpretation. Whenever this Declaration shall require the consent, approval, completion, substantial completion, or other action by the Declarant, the Association or the ARB, such consent, approval or action may be withheld in the sole and absolute discretion of the party requested to give such

consent or approval or take such action, and all matters required to be completed or substantially completed by the Declarant or the Association shall be deemed completed or substantially completed when so determined, in the discretion of the Declarant or Association, as appropriate.

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

10.13 Covenants Running With The Land. ANYTHING TO THE CONTRARY HEREIN NOTWITHSTANDING AND WITHOUT LIMITING THE GENERALITY (AND SUBJECT TO THE LIMITATIONS) OF SECTION 10.3 HEREOF, IT IS THE INTENTION OF ALL PARTIES AFFECTED HEREBY (AND THEIR RESPECTIVE HEIRS, PERSONAL REPRESENTATIVES, SUCCESSORS AND ASSIGNS) THAT THESE COVENANTS AND RESTRICTIONS SHALL RUN WITH THE LAND AND WITH TITLE TO THE PROPERTIES. IF ANY PROVISION OR APPLICATION OF THIS DECLARATION WOULD PREVENT THIS DECLARATION FROM RUNNING WITH THE LAND AS AFORESAID, SUCH PROVISION AND/OR APPLICATION SHALL BE JUDICIALLY MODIFIED, IF AT ALL POSSIBLE, TO COME AS CLOSE AS POSSIBLE TO THE INTENT OF SUCH PROVISION OR APPLICATION AND THEN BE ENFORCED IN A MANNER WHICH WILL ALLOW THESE COVENANTS AND RESTRICTIONS TO SO RUN WITH THE LAND; BUT IF SUCH PROVISION AND/OR APPLICATION CANNOT BE SO MODIFIED, SUCH PROVISION AND/OR APPLICATION SHALL BE UNENFORCEABLE AND CONSIDERED NULL AND VOID IN ORDER THAT THE PARAMOUNT GOAL OF THE PARTIES AFFECTED HEREBY (THAT THESE COVENANTS AND RESTRICTIONS RUN WITH THE LAND AS AFORESAID) BE ACHIEVED.

10.14 Dissolution of Association. In the event of a permanent dissolution of the Association, (i) all assets of the Association shall be conveyed to a non-profit organization with similar purposes and acceptable to the applicable governing water management district, or (ii) all Association assets may be dedicated to any applicable municipal or other governmental authority. Said successor non-profit organization or governmental entity shall pursuant to this Declaration provide for the continued maintenance and upkeep of the Common Area, including without limitation the stormwater management system, the Properties and such other property as may be contemplated herein.

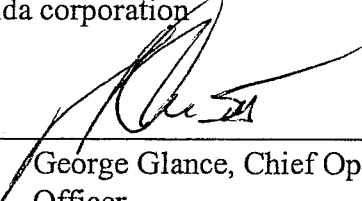
10.15 Merger. The Association may merge with another homeowners' association (which is a non-profit organization with similar purposes to the Association) and which owns property reasonably proximate to the Property, but only with the approval of three-fourths (3/4) of each class of members present (in person or by proxy) and voting at a meeting duly called for such purpose.

EXECUTED as of the date first above written.

Signed, sealed and delivered

AMERICAN HERITAGE HOMES USA, INC., a Florida corporation

Name: _____

By: 
George Glance, Chief Operating Officer

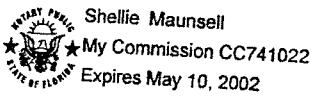
Name: _____

108 Park Place Blvd.
Kissimmee, FL 34741

STATE OF FLORIDA
COUNTY OF Hillsborough

The foregoing instrument was acknowledged before me this 30th day of November, 2001, by George Glance, as Chief Operating Officer of AMERICAN HERITAGE HOMES USA, INC., a Florida corporation, on behalf of said corporation. He is personally known to me or has produced _____ as identification.

(NOTARY SEAL)



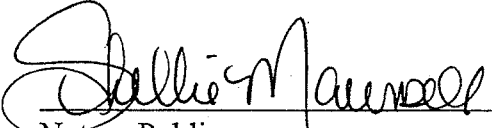

Notary Public
Printed Name: Shellie Maunsell
Commission Number: _____
My Commission Expires: _____

EXHIBIT "A"

Additional Properties

Parcel 1: The East 1/2 of the Southwest 1/4 of the Northwest 1/4 of Section 3, Township 29 South, Range 20 East, lying and being in Hillsborough County, Florida.

Parcel 2: The Southwest 1/4 of the Southwest 1/4 of the Northwest 1/4 of Section 3, Township 29 South, Range 20 East, LESS the West 33 feet thereof for State Road No. 579 Right of Way, and also LESS the South 25 feet thereof for Clay Pit Road Right of Way; said lands situate, lying and being in Hillsborough County, Florida.

Parcel 3: The North 1/2 of the Northwest 1/4 of the Southwest 1/4 of the Northwest 1/4 of Section 3, Township 29 South, Range 20 East, Hillsborough County, Florida Right of Way, LESS Right of Way for Mango Road.

LESS AND EXCEPT MANGO GROVES – UNIT 1, according to the Plat thereof as recorded among the Public Records of Hillsborough County, Florida and more particularly described in Section 2.1 of this Declaration.