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This Instrument Prepared By:
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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF MT. OLIVE SHORES NORTH

THIS DECLARATION is made this 11th day of July, 1997, by ANCHOR INVESTMENT CORPORATION OF FLA., a Florida corporation, (the "Developer").

1. Introductions and Initial Submission

WHEREAS, the Developer owns that certain Polk County, Florida, property described in Exhibit "A" hereto (the "Land") a portion of which is the property which is subject to the Phase I Plat (described hereafter) and intends to create thereon an adult planned mixed use community featuring both the recreational vehicle lifestyle and conventional construction homes ("Mt. Olive Shores North" or the "Subdivision");

WHEREAS, the Developer has filed and recorded a plat of Mt. Olive Shores North, Phase I ("Phase I") in Plat Book 104, pages 38 and 39, public Records of Polk County, Florida (the "Plat") covering the real property located in Polk County, Florida described on Exhibit "B" (the "Phase I Land") and anticipates filing plats of additional phases;

WHEREAS, with a view of preserving and enhancing the value of the Lots (hereafter defined) and promoting their owners' and occupants' welfare, the Developer wishes to impose on the Phase I Land various easements, covenants, restrictions, charges and liens at this time and to provide a mechanism for possibly imposing them on additional phases in the future; and

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WHEREAS, to promote the objectives described above, the Developer has formed a non-profit corporation called Mt. Olive Shores North Owner's Association, Inc. for the purpose of maintaining, administering and eventually owning various portions of the Subdivision intended to be used by all of the owners and occupants of the Lots and for the purpose of enforcing the covenants, restrictions, charges and liens created by this Declaration.

NOW, THEREFORE, the Developer declares that the real property described on the attached Exhibit "B" (together with all Improvements thereon that are located thereon or thereunder), together with such additions thereto as are hereafter made pursuant to this Declaration, shall be held, conveyed, leased, mortgaged, used, occupied and improved subject to the easements, covenants, conditions, restrictions, servitudes, charges and liens created or provided for by this Declaration.

2. Definitions.

When used in this Declaration each term listed in this Section 2 shall have the meaning indicated there unless the context in which it is used clearly indicates a contrary intention;

"Architectural Committee" means the committee created pursuant to paragraph 16 hereof.

"Articles" means the Association's Articles of Incorporation (a copy of which appears as Exhibit "B" hereto) including any amendments thereto.

"Association" means Mt. Olive Shores North Owner's Association, Inc., a not-for-profit Florida corporation, and its successors and assigns.

"Board" or "Board of Directors" means the Association's board of directors.

"By-Laws" means the Association's Bylaws adopted by the Association from time to time, including any amendments thereto.

"Common Properties" means the property depicted on the Plat as: Tracts A, B, C, D, and E (including all Improvements thereon), plus whatever portions of any lands are (together with all Improvements thereon) are declared to be Common Properties in any future plat of subsequent phases of the Subdivision; provided, however, the term "Common Properties" shall not mean any portion of the Water System or Sewer System unless and until that portion of the Water System or Sewer System is expressly made a part of the Common Properties by specific reference to it in a Supplemental Declaration. The term "Common Properties" shall include any portion of the Surface Drainage System thereon.

"County" means the County of Polk, State of Florida.

"Covenants" means the easements, covenants, conditions, restrictions, servitudes, charges and liens created or provided for by this Declaration.

"Declaration" and "this Declaration" means (and, except as otherwise provided in the definition of "Initial Declaration", "hereto", "hereof", "hereunder", "herein" and words of similar import shall refer to) this instrument as amended from time to time.

"Developer" means the ANCHOR INVESTMENT CORPORATION OF FLA., a Florida corporation, and any successors or assigns of that corporation which is assigned all the rights of the Developer hereunder (including but not limited to the right to amend the Covenants as contemplated herein) by an express written assignment recorded in the County's Public Records or which succeeds to such rights by merger or consolidation. In the case of a partial assignment of the Developer's rights, the assignee, its successors and assigns shall be deemed to be the Developer, but may exercise those rights of the Developer specifically assigned to the assignee. Any such partial assignment by the Developer may be made on a non-exclusive basis.

"Developer's Permittees" means the Developer's officers, directors, partners, joint venturers (and the officers, directors and employees of any such corporate partner or joint venturer), employees, agents, independent contractors, (including both general contractors and subcontractors), suppliers, visitors, licensees and invitees.

"Director" means a director of the Association.

"Surface Drainage System" means the system of ditches, culverts, retention ponds, underdrains and other improvements for the drainage of stormwater collecting on the Properties, and constructed pursuant to surface water permit(s) issued by the Southwest Florida Water Management District or a successor agency.

"Family" means either a group of natural persons related to each other by blood or legally related to each other by marriage or adoption, or a group of not more than 4 persons not so related who maintain a common household in a Residential Unit.

"Common Expenses" means the cost of administering the Association and of maintaining, operating, insuring and paying taxes with respect to Common Properties and of maintaining, operating and replacing the Surface Drainage System.

"Improvement" means any structure or artificially created condition or appurtenance located on the Properties, including, but

not limited to, any residential dwelling, building, outbuilding, walkway, dock, sprinkler pipe, road, driveway, parking area, fence, screening wall, retaining wall, stairway, deck, or landscaping.

"Initial Declaration" means (and, when following a section, paragraph, page of exhibit designation, the word "hereto" shall refer to) this Declaration as initially recorded in the County's Public Records.

"Institutional Mortgage" means a first mortgage on a Parcel held by an Institutional Mortgagee.

"Institutional Mortgagee" means any of the following: a bank, a savings and loan association, an insurance company, a real estate or mortgage investment trust, a pension fund, an agency of the United States Government, a mortgage company, a mortgage broker, a lender generally recognized as an institutional-type lender, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Developer, or a shareholder, partner, or joint venturer in the Developer, or the assignee of the mortgage originally held by one of the foregoing.

"Lot" means a site designated for the construction of residence or a recreational vehicle site that is part of the Properties and is intended for use and occupancy as such.

"Member" means any person or entity holding a membership in the Association, and "Membership" means membership in the Association.

"Notice and Hearing" means, with respect to a particular Owner, written notice to that Owner and a public hearing before a tribunal appointed by the Board at which the Owner has an opportunity to be heard in person or by counsel, all in the manner provided in the Bylaws.

"Occupancy" as applied to subdivision shall mean all residential units located on Lots which are occupied.

"Officer" means an officer of the Association.

"Owner" means the persons or entities (regardless of the number of either) holding fee simple interests of record to any Lot, including the Developer and sellers under executory contracts of sale, but excluding those having such interest merely as security for the performance of an obligation and excluding purchasers under executory contracts of sale.

"Parcel" means any of the following that is part of the Properties:

- (a) a Lot; and

(c) a piece of land which is designated as a Tract or Parcel in an instrument recorded by the Developer.

"Properties" means the property described in Exhibit "B" hereto (including all Improvements thereon), plus whatever portions of any lands (together with all Improvements thereon) are declared to be Properties or otherwise subject to these Covenants in any Supplemental Declaration, less whatever portions of the Lands (together with all Improvements thereon) are declared to be withdrawn from the provisions of this Declaration in any Supplemental Declaration pursuant to the provisions of this Declaration or any Supplemental Declaration; provided, however, the term "Properties" shall not mean any portion of the Water System or Sewer System unless and until that portion of the Water System or Sewer System, as the case may be, is expressly made a part of the Properties by specific reference to it in a Supplemental Declaration. The term "Properties" shall include any portion of the Surface Drainage System thereon.

"Qualified Occupant" shall mean an individual who occupies a residential unit on a Lot who is 55 years of age or older.

"Qualified Occupancy" shall mean the occupancy of a residential unit on a Lot in which at least one of occupants is a Qualified Occupant.

"Recreational Vehicle", "RV", shall mean a Type A Motorhome, Type C Motorhome, Type B Camper, conventional travel trailer, fifth wheel travel trailer and van as defined by Recreational Vehicle Industry Association (RVIA) as adopted from time to time. Provided however if the RVIA shall cease to propound a definition for these types of Recreational Vehicles for any reason the Board shall select an alternative definition.

"Sewer System" means the sewage collection system, the wastewater treatment plant and the wastewater disposal system (including any and all related lines, machinery and facilities) servicing or intending to service the Properties.

"Subdivision" means Mount Olive Shores North, Phase I and all subsequent Phases of Mount Olive Shores North for which a Supplemental Declaration is filed of record.

"Supplemental Declaration" means any instrument recorded by the Developer in the County's Public Records for the purpose of adding additional properties to the Properties, declaring any land to be Common Properties, withdrawing properties from the Properties or Common Properties, or otherwise amending or supplementing this Declaration.

"Voting Member" means a Member entitled to cast votes at the

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Association's meeting under the terms of Article 3 of this Declaration as amended by any Supplemental Declaration.

"Water System" means the wells, plumbing equipment and water distribution system (including any and all related lines, machinery and facilities) supplying or intending to supply potable and/or non-potable water to the Properties.

3. General Plan of Development.

3.1 Residential Development. The Developer's general plan of development contemplates the construction on the Properties conventional construction single family homes and recreational vehicle sites to be owned by the users thereof in fee simple ownership.

3.2 Facilities and Amenities Generally. The Developer's general plan of development may also include whatever facilities and amenities the Developer considers in its sole judgment to be appropriate to the community contemplated by the plan. By way of example, not limitation, the facilities and amenities may include: private streets, roads, rights of way and sidewalks; streets, roads and rights of way dedicated to the public; water collection and distribution facilities; sewage facilities; utility and maintenance buildings; and whatever recreational facilities (such as swimming pools, club houses, gazebos, and sports courts) the Developer may elect, in its sole discretion, to build or have built. Although the general plan of development may later contain public streets and roadways, it is anticipated that all roadways within the subdivision will be private and will be maintained by the Association.

3.3 Absence of Obligation. Since the Developer's general plan of development is temporary and dynamic, nothing in this §3 shall obligate the Developer to develop the subdivision or any portion of the lands in accordance with its current general plan of development. The Developer's Development Plan is binding on the Phase I, but may be subject to amendment pursuant to the governing regulations, ordinances, and codes of Polk County.

4. Additions to and Withdrawals from the Properties.

4.1 Additions. The Developer may from time to time, by recording appropriate Supplemental Declarations in the County's Public Records, and all or portions of the Lands (including the Improvements on those portions) to the Properties created by the Initial Declaration and may declare all or part of such additional property (including any Improvements thereon) to be Common Properties. To be effective, any such Supplemental Declaration must be executed by both the Developer (or its assigns) and the record fee owner or owners of the property which the Supplemental Declaration purports to add to the Properties (but not the owners

of individual Lots in the Subdivision). Any such Supplemental Declaration may submit the properties added by it to such additions to and modifications of the Covenants contained in the Initial Declaration as may be necessary or convenient, in the Developer's judgment, to reflect or adapt to any change in circumstances or difference in the character of the added properties.

4.2 Designation of Additional Common Properties. The Developer may, from time to time, by recording appropriate Supplemental Declaration in the County's Public Records, designate portions of the then existing Properties owned by it to be Common Properties and/or Limited Common Properties.

4.3 Disclaimer of Implication. Only the Properties described in Exhibit "A" hereto are subject the Covenants, unless and until a Supplemental Declaration is recorded in the fashion required by paragraph 4.1 with respect to it, no portion of the remainder of the Lands shall be in any way affected by the Covenants or other terms of this Declaration and every such portion may be freely sold, conveyed or otherwise disposed of by their owner or owners free and clear of any of the Covenants and other terms of this Declaration.

4.4 Absence of Obligation. Nothing in this Declaration shall be construed to require the Developer to add properties to the Properties created by the Initial Declaration or to require it to declare any part or particular part of any properties added to the Properties to be Common Properties.

5. Ownership and Mortgaging of the Common Properties

5.1 Ownership.

(a) Transfer to the Association. When title to 100% of the proposed Lots have been conveyed to non-Developer purchasers or on September 30, 2009, whichever occurs first, or sooner at the Developer's option, the Developer shall convey to the Association the fee simple title to the Common Properties, on behalf of the Owners, free and clear of any liens but subject to (i) any real estate taxes and assessments for the year in which the conveyance takes place; (ii) any covenants, conditions, restrictions, reservations, limitations and easements then of record; and (iii) any zoning ordinances then applicable. The Association shall accept this conveyance of the Common Properties on behalf of the Owners and shall thereafter hold title to them for the benefit of the Owners. The conveyance shall not impair in any way the Developer's rights and easements set forth in paragraph 15. Each of the Owners (in all Phases) shall be deemed to own an undivided beneficial interest in the Common Properties equal to the fraction of one divided by the total number of Lots in the Subdivision. The Ownership of this beneficial interest shall

not limit the rights of the Association as set forth in this Declaration and any Supplemental Declaration.

(b) Transfer by the Association Generally. The Association may dedicate or transfer all or part of the Common Properties owned by it to any public agency, authority or utility, provided an instrument is recorded in which the Class B Member, if any, and the Owners holding a majority of the Class A Members agree, by signing the instrument (or a counterpart thereof), to the dedication of transfer and the purposes for which and conditions under which it is made.

5.2 Mortgaging.

(a) By the Developer. Subject to paragraph 5.1(a), the Developer may mortgage any part or all of the Common Properties to finance its construction and development.

(b) By the Association. The Association may mortgage all or any part of the Common Properties owned by it for the purposes of improving, repairing or reconstructing them provided it first obtains the written approval of Owners holding at least a majority of Class A Members' votes.

6. Rights to use the Common Properties.

6.1 Owners' Rights and Easements Generally. As long as this Declaration is in effect, each Owner shall have a non-exclusive right to an easement for the use and enjoyment of the Common Properties. This right and easement shall be appurtenant to and pass with title to that Owner's Lot.

6.2 Extent of Owners' Rights and Easements. Except as expressly provided herein to the contrary, any right and easement created by paragraph 6.1 shall be subject to the following:

(a) The right of the Association to limit the number and type of guests, invitees or licensees of an Owner who may use the Common Properties;

(b) The right of the Association to establish rules and regulations governing the use of the Common Properties and to charge reasonable fees for the use of any recreational facility situated on them;

(c) The right of the Association to permit portions of the Common Properties (including, but not limited to, recreational facilities to be used by one or more Owners and their guests for private parties and other similar functions, subject to the right of the Association to impose reasonable conditions and limitations on such use (including, but not limited to, the posting of a deposit to ensure proper conduct, clean-up and repairs);

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(e) The right of the Association to suspend the right of an Owner to use a portion or all of the Common Properties (with the exception of road ways and other means of ingress and egress) for any period during which any assessment against him remains unpaid or any continuing infraction of the Association's rules and regulations continues and for a period not to exceed 30 days for any single, non-recurring infraction of its rules and regulations;

(f) The right of the Association (together with its agents, employees and independent contractors) to perform the maintenance, repair and reconstruction obligations described herein;

(g) The rights, easements and restrictions set forth elsewhere in this Declaration, including but not limited to the rights and easements set forth in paragraphs 7 and 15 hereof.

6.3 Other Persons Entitled to Use by Virtue of Relationship with an Owner.

(a) Owners. Subject to reasonable regulations adopted by the Association with respect to such persons as well as the matters mentioned in paragraph 6.2, the members of each Residential Owner's Family, his tenants, his social guests, contractor purchasers residing in his Unit, and, if the Owner is a corporation or partnership, its officers, directors, and partners (and the members of their Families), may use the Common Properties with that Owner's permission.

6.4 Regulation by the Association. The Association may establish reasonable regulations concerning parking on any portion of the Common Properties and may have any vehicle violating them removed.

6.5 Waiver of Use. No owner may exempt himself from personal liability for assessments duly levied by the Association, or release the Lot owned by him from the liens and charges provided for herein, by waiver of the use and enjoyment of the Common Properties or by abandonment of his Lot.

7. Other Easements.

7.1 Public Services. Fire, police, health, sanitation and other public service personnel and their vehicles shall have a permanent and perpetual easement into, over and out of the Common Properties for the purpose of performing their appropriate functions.

7.2 Utilities. There is hereby created and reserved a blanket easement upon, across, through and under the Properties for the ingress, egress, installation, maintenance, repair, replacement, relocation, expansion and operation of any and all utility and other service lines, facilities and systems (including

without limitation those for supplying electricity, gas, phone service and cable television service, for collecting, treating and distributing water and for collecting, treating and disposing of sewage and wastewater) servicing or intended to service any one or more Improvements on the Lands and a blanket easement upon, across, through and under the Common Properties for the disposal, through an irrigation system or otherwise, of treated affluent from any sewage and wastewater collection and disposal system servicing or intended to service one or more Improvements. Without limiting the generality of the preceding sentence, the Developer or the party providing any such utility or other service may, by virtue of the easements created by this paragraph 7.2, install, maintain, repair and replace on the Properties any and all facilities that are necessary or useful for providing the utility or service, may perform whatever excavations it considers necessary or helpful in doing so and may perform whatever meter installations and meter reading it considers necessary or helpful in operating the utility or service. The Developer is hereby authorized to execute and record whatever instruments it deems necessary or desirable to affect or evidence the easements created by this paragraph 7.2, and shall be considered and deemed an agent of each Owner for purposes of executing and recording any such instrument with respect to the Parcels owned by that Owner.

7.3 Special Easement for Ingress and Egress. The Association may (and is hereby authorized to) grant a perpetual, non-exclusive easement over any roadways (or portions thereof) within portions of the Common Properties owned by it in favor of the owners of dwellings on any portion of the Lands and the families, tenants, subtenants, guests, licensees and invitees of such owners for the purpose of affording them a convenient means of egress by foot and vehicle from those dwellings to State Road 33 and Lake Margaret Drive abutting the Lands and of ingress from the stretch of highway to those dwellings, even if those dwellings (and the portions of the Lands on which they are situated) are not and will not be a part of the Properties or their owners members of the Association. Further the Developer may (and is hereby authorized to) grant a perpetual, non-exclusive easement over any roadways (or portions thereof) within portions of the Common Properties it in favor of the owners other properties and their families, tenants, subtenants, guests, licensees and invitees of such owners for the purpose of affording them a convenient means of egress by foot and vehicle and utility service from those lands to State Road 33 and Lake Margaret Drive even if those are not and will not be a part of the Properties or their owners members of the Association.

7.4 Encroachments. If (a) any portion of the Common Properties encroaches upon any other portion of the Properties; (b) any other portion of the Properties or of the Lands owned by the Developer encroaches upon the Common Properties; or (c) any encroachment occurs as the result of (i) construction of an Improvement, (ii) settling or shifting of an Improvement, (iii)

alteration or repair of the Common Properties (iv) repair or restoration of an Improvement after damage by fire or other casualty, or (v) a taking by condemnation or eminent domain proceedings of all or any portion of an Improvement, then, in any such case, a valid easement shall exist for such encroachment and its maintenance as long as the Improvement causing the encroachment stands.

7.5 For Repair and Rebuilding. Subject to paragraph 16 hereof, each Owner of Improvements subject hereto shall have (and the Developer hereby reserves unto them) a perpetual easement over, under, through and across the Common Properties as reasonably required to repair, restore, refurbish, replace or rebuild as necessary the Improvement or Improvements that are party of the property administered or owned by it provided any such Owner shall be responsible for any resulting damage to the Common Properties.

7.6 Surface Drainage System. There is hereby created and reserved a blanket easement upon, across, through and under the Properties for the ingress, egress, installation, maintenance, repair, replacement, relocation and operation of any and all of the Surface Drainage System.

8. Water and Sewer Systems.

8.1 General. The Developer has constructed or intends to construct a Water System and Sewer System on the Lands and intends to expand these Systems as and if required by further development of the Subdivision. The following provisions of this paragraph 8 (and whatever other provisions in this Declaration are applicable to Common Properties generally and are not in conflict with those of this paragraph 8) shall apply to any portion of the Water System or the Sewer System if and after that portion is made a part of the Common Properties as aforesaid but not otherwise.

8.2 Alternative Conveyances. Nothing in this Section shall be construed to bar the Developer's conveying either or both of the Water System and Sewer System to the county, city (or another governmental agency), to a utility.

9. The Association.

9.1 Membership. The Developer and every Owner shall be a Member, but no Owner shall have more than one Membership for each Lot owned. Membership shall not be assignable except to an Owner's successor-in-interest in a Lot.

9.3 Voting by Voting Members.

(a) Classes. The Association shall have 2 classes of Voting Members as follows:

(i) Class A. Class A Voting Members shall be all Members other than Developer. Each Class A Member shall be entitled to a one vote for each Lot owned by such Member. If a Lot is owned by more than one person, including without limitation a husband and wife, such owners in the aggregate shall have one vote for each such Lot so owned, and may cast fractional votes in the event that the owners do not agree as to a particular event, however in the event that less than all of the owners of such Lot are present in person or by proxy at any meeting or other voting situation, those present shall be entitled to vote the entire vote for such Lot.

(ii) Class B. The Class B Member shall be the Developer. The Class B Member shall be entitled to 3 votes, for each vote which the Class A Members are entitled to cast in the aggregate from time to time (by way of illustration, if at any given time the Class A Members were entitled in the aggregate to cast 10 votes, the Class B Member would be entitled to cast 30 votes); provided that (A) until there are Class A Members, the sole Member shall be the Class B Member, and (B) the Class B Membership shall cease and, if the Developer then owns one or more Lots or other portions of the Properties, shall be converted to a Class A membership upon the first to occur of any of the following:

- (1) The arrival of September 30, 2009;
- (2) The construction and conveyance to purchasers of at least 100% of the proposed Lots; and
- (3) The Developer's election (expressed in an instrument executed by it and recorded in the County's Public Records) to terminate the Class B Membership.

(b) Terminology. Unless expressly provided to the contrary, any reference in this Declaration to the vote or approval of a plurality, majority or specified percentage or fraction of Members or Owners (or a group or class of Members or Owners) shall be construed to mean the vote or approval of Voting Members entitled to cast a majority, plurality or such specified percentage or fraction (as the case may be) of the total votes entitled to be cast by those Members or Owners (or that group or class of Members or Owners).

9.4 Advisory Committee. Until such time as the Class B Membership shall cease, the Class A Members may form an "Advisory Committee", the function of which shall be to advise the Board of Directors of the Association as to matters of interest of the general membership and of the Owners. The Advisory Committee shall be solely advisory, and the Board of Directors shall not be bound by the Advisory Committee's advice. The Board of Directors may,

from time to time, transfer certain powers and responsibilities of the Association to the Advisory Committee by appropriate resolution.

10. Use Restrictions.

10.1 Compliance with Zoning Ordinances. No use may be made of a Parcel or the Common Properties that violates any applicable zoning ordinance or resolution.

10.2 Rules and Regulations. No person shall use the Common Properties or any part of them in any manner contrary to the rules and regulations adopted by the Board under the Bylaws, provided that, notwithstanding anything to the contrary provided in paragraph 6.2 hereof, the Developer shall not be required to observe any rule or regulation that interferes with its constructing, selling or leasing the Lots or improvements thereon.

10.3 Residency Restrictions. Mount Olive Shores, North is intended and operated to housing for older persons; and the facilities and services of the Subdivision are designed to meet the physical and social needs of older persons. It is the policy of the Subdivision to limit or restrict the occupants of the residential units located on Lots to carry out this intent.

At all times and under all circumstances at least 80% of the Occupancy shall be Qualified Occupancy. In order to insure compliance with this restriction, any person which intend to occupy a residential housing unit on a Lot, shall, prior taking up such occupancy make application for residency to the to the Board, and shall provide such evidence as shall be reasonably required by the Board of the intended occupant. A determination shall be made by the Board as to whether or not such intended occupancy will cause or potentially cause the Occupancy of the Subdivision to have less than 80% of residential units on Lots to have Qualified Occupancy. If the intended occupancy would cause or potentially cause less than 80% of such residential units to have Qualified Occupancy then such intended occupancy shall denied, forbidden and prohibited.

If an Occupancy which is a Qualified Occupancy shall cease to be a Qualified Occupancy, and such cessation shall cause less than 80% of the occupied residential units in the Subdivision to qualify as Qualified Occupancies, then the occupancy of that residential unit shall cease and be vacated immediately.

10.4 Building Restrictions. The Lots shall be utilized solely for single family residential use which may take the following forms:

a. Conventional constructed residence containing at least 900 square feet of living area, exclusive of porches, patios, breezeways and the like, with or without recreational owned

vehicle.

b. Type A recreational vehicle which may be parked and occupied without improvements other than concrete driveway and activated utility services except for Lots 30 through 45, both inclusive, and as those lots identified as lake front lots on any subsequent plat or declaration.

c. Type A & C motor home, conventional travel trailer or fifth wheel travel trailer recreational vehicle which may be parked and occupied (with activated utility service) in conjunction with motorport structure improvements, i.e. RV cover structure which may include carport, garage, porch, utility room and storage.

d. Type A & C motorhome, conventional travel trailer, fifth wheel travel and van recreational vehicles which may be parked on the lot in conjunction with a single family dwelling, meeting the requirements of subsection a., above, which integrates the construction of the recreational vehicle cover with the dwelling.

In no event shall mobile homes, park model homes, or other permanent or removable modular units be installed within the subdivision as described.

e. With prior approval of the Architectural Committee, a detached free standing accessory building shall be permitted when limited to utility and storage type use. Such buildings shall not be used or converted to a residential living unit or "day room." Such building shall be constructed of new material and conform with type and style of area improvements, shall not exceed 150 square feet, overhangs shall not exceed one foot on any side. Such buildings shall conform to all set back requirements and shall not be located on the front half of any lot and may not have toilet facilities.

f. Motorport Structures. Free standing carport, porch, storage and RV cover improvements in connection with recreational vehicles shall not be used as or converted to residential dwelling units unless they otherwise comply with the requirements of subsection a., above.

10.5 Walls and Fences. With prior approval and subsequent to primary structure improvements (excluding accessory buildings), fences shall be limited to 4' in height, shall not be forward of rear line of house, shall provide for minimum 6' unlocked gate access, and both sides shall have finished appearance.

10.6 Landscaping, Sodding, Irrigation. Owners should consider low maintenance freeze and drought resistant native plant materials. Only sod and ground cover plants shall be placed in right-of-way. Hedges shall be kept trimmed, shall not exceed 4' in height and shall not extend beyond front building set back. Any

irrigation system shall be kept in good repair and should provide for timing device.

10.7 Mail Receptacles. The style, type location and relocation shall be established by the Architectural Committee.

10.8 Garbage Receptacles. Receptacles shall be in good repair, placed at curb after sundown the day prior to scheduled pick-up, removed from curb before sundown the day of pick-up and stored so as to be concealed from front road view otherwise.

10.9 Aerials, Satellite Dishes, Underground Utilities. No aerials, satellite dishes, television or radio antennas may be located in the front of any dwelling unit. In any event, no aerials or antennas shall be permitted on which the top is more than 15 feet above the highest point of the dwelling unit without prior approval of the Architectural Committee. Satellite dishes shall be limited to micro-dishes having a diameter of no more than 18 inches.

10.10 Clotheslines. Drying wash shall be hung on a single pole, umbrella type hanger (which shall be stored out of sight when not in use), at the rear of the lot, making an effort to keep it concealed from front road view.

10.11 Appliances. All appliances are to be housed in an enclosed permanent structure.

10.12 Miscellaneous Objects. All lawn mowers, bicycles, building materials, and any unsightly objects must be stored so as to be out of view from streets.

10.13 Above Ground Swimming Pools. No above ground pools shall be allowed.

10.14 Vehicles. There shall be no more than one recreational vehicle parked on a lot, even temporarily. No major repairs to vehicles other than emergency repairs are to be done in the subdivision. All vehicles, trucks, boat trailers, utility trailers, tow dollies, etc., shall have current year's license tag, be in operative condition and be parked off the roadway on a concrete surface. No tractor/trailer or non-RV trucks larger than one-ton capacity shall be parked on these premises except for commercial delivery during the actual delivery.

10.15 Offensive Conduct. No behavior or practice shall be permitted on the Common Properties that endangers or unreasonably annoys an Owner or other authorized user of the Common Properties or that might cause the premiums for insurance on the Common Properties to be increased, and no immoral or unlawful use shall be made of any part of the Common Properties.

10.16 Animals. No animal owned by (or in the custody of) a Owner or his tenants or guests shall be permitted on the Common Properties except when it is leashed or carried by hand and is either in an area that the Association has specifically designated for walking pets or is being walked or transported directly to or from such area or directly off the Common Properties. The Board may order temporarily or permanently banned from the Common Properties, and/or the Properties generally, any animal that is dangerous or that becomes obnoxious by reason of aggressive or intimidating behavior, barking, littering or otherwise. No animal may be kept on the Properties for commercial or breeding purposes.

10.17 Maintenance. Developer or Association will establish an overall program providing basic mowing of all Lots and common areas, common utilities and services, maintenance of fencing, signs, entrance landscaping, and irrigation system, drainage, security, clubhouse, pool, recreational facilities and other common improvements. Each Lot owner shall be responsible for the improvements, care and maintenance of his property and shall keep the same neat, clean, free of unsightly objects and will comply with the overall maintenance program.

10.18 Commercial Activity. No commercial, professional, business or obnoxious activities shall be conducted on any lot which may become an annoyance or nuisance to the neighborhood, nor shall any use be made of a lot that will in any way injure or lower the value of any adjoining lot or the property as a whole. No signs of any kind shall be displayed, except for one professionally painted or printed sign when advertising the property for sale or rent, which shall be limited to five square feet; and, any signs used or authorized by the Developer.

10.19 Local Government Regulations. Each owner of a lot shall have the responsibility of meeting all local governmental regulations and requirements applicable for the use of that owner's respective lot for residential purposes. All lots within the property shall utilize the public water, sewer and public street lighting district, as the same are made available, and each owner of a lot shall pay the respective required tap, service and other charges associated with reference to such services. Individual lot owners shall not remove, fill or obstruct the flow of drainage retention areas, ditches or berms.

10.20 Driveway. A solid concrete driveway minimum width of twelve feet, shall be construed prior to occupancy of any lot. Driveways shall not obstruct drainage.

10.21 Children. Children must observe the rules and regulations adopted by the Association for the use of the Common Properties to the same extent adults and Owners must. No person below the age of 18 years may reside or visit any Lot for a period of greater than 30 consecutive days.

10.22 Security Stops. The Association's security personnel, if any, shall have the right to stop and question persons on the Common Properties and to require satisfactory evidence of any such person's right to be where he is stopped. Any such person who fails to establish that right may be required to leave the Common Properties (even if he actually is entitled to be where he is stopped but fails to satisfactorily prove that he is).

10.23 Damage. The Association may levy a special assessment on any Owner or Owners whose negligence or willful misconduct causes damage to the Common Properties or increased insurance premiums with respect thereto, in the amount of the expense attributable to the damage or increased insurance premiums.

10.24 Hardship. These restrictions may be amended or waived at any time by; (a) the Developer in case of hardship; or (b) in any event by 75% of the Board of Directors present and voting at Meeting so long as the amendment or waiver does not substantially dilute or weaken the intent or purposes of these restrictions.

10.25 Set Backs. No structure shall be placed closer to lot lines than as follows: from front line and right of way - 15 feet; rear lines 10 feet; side line 7 1/2 feet; utility connects and air conditioning units may be placed in set-back area.

11. Maintenance and Taxes.

11.1 Maintenance of Common Properties. The Association shall be responsible for maintaining all of the Common Properties (including all furnishings, fixtures, equipment and vegetation located on them) in a clean, safe and orderly condition and replacing them when necessary. The Board of Directors shall be responsible for ordering maintenance of the Common Properties to be performed and may delegate the responsibility of ordering and/or performing the maintenance to one or more management companies. The Association may contract with any person or entity (including Developer or an affiliate of Developer) to perform the services to be performed by the Association under this section and this Declaration. Such contract may for a fixed price or be based upon the actual services performed from time to time.

11.2 Taxes and Assessments. The Association shall promptly pay when due all real estate and personal property taxes and governmental assessments levied with respect to the Common Properties (including all improvements, fixtures, furnishings and equipment thereon), irrespective of whether it holds title to them.

11.3 Maintenance of Surface Drainage System. The Association shall be responsible for maintaining the Surface Drainage System wherever located on the Properties in a clean, safe and orderly

condition and replacing them when necessary, in accordance with the requirements of the Southwest Florida Water Management District or a successor agency. The Board of Directors shall be responsible for ordering maintenance of the Surface Drainage System to be performed and may delegate the responsibility of ordering and/or performing the maintenance to one or more Management Companies. The Association shall judicially enforce collection of assessments for the maintenance, operation and replacement of the Surface Drainage System.

12. Insurance.

12.1 Casualty. The Association shall at all times keep the Common Properties insured in an amount equal to their maximum insurable replacement value, irrespective of whether or not it is the then record title holder. Such coverage shall afford protection to the Association and the Developer against:

(a) Fire. Loss or damage by fire and other hazards covered by a standard extended coverage endorsement, and

(b) Other Risks. Such other risks as from time to time are customarily covered with respect to improvements similar in construction, location and use to the improvements of the Common Properties, including but not limited to flooding, vandalism and malicious mischief.

All or any part of such coverage may be extended to such personalty of the Association as the Board may deem desirable. The coverage described in this paragraph 12.1 shall be written in the name of the Association, and its proceeds shall, subject to paragraph 12.3, be payable to the Association.

12.2 Public Liability. The Association shall at all times maintain a policy of comprehensive liability insurance insuring the Association and its agents, the Board and the Owners against liability in connection with the Common Properties in such amounts as the Board may deem desirable. Subject to reasonable availability, any such policy shall have a cross liability endorsement to cover liability of the Owners as a group to an Owner and vice versa.

12.3 Additional Coverage. The Association shall obtain whatever other insurance the Board of Directors determines from time to time to be desirable.

12.4 Insurance Trustee. The Board may designate a Florida or national bank with trust powers to function as an insurance trustee and may have the policies purchased under this paragraph 12 provide for payment of their proceeds to that insurance trustee. Any such insurance trustee shall be responsible only for receiving whatever proceeds are paid to it and for distributing them in the manner and

for the purposes set forth in paragraphs 10 and 11.

12.5 Premiums. The premiums for insurance purchased pursuant to this paragraph 12 shall be charged to the Owners as part of the assessments provided for in paragraph 14.

13. Repair of Damage to the Common Properties.

13.1 Repair and Reconstruction Generally. The repair and reconstruction of the Common Properties after casualty shall be governed by the following provisions:

(a) Sufficient Insurance Proceeds. If in the event of damage or destruction to the Common Properties the insurance proceeds are sufficient to effect total restoration, then the Association shall cause the damaged Common Properties to be repaired and reconstructed substantially as they previously existed.

(b) Nearly Sufficient Insurance Proceeds. If the insurance proceeds are within \$50,000.00 of being sufficient to effect total restoration to the Common Properties, then the Association shall cause the damaged Common Properties to be repaired and reconstructed substantially as they previously existed and the difference between the insurance proceeds and the actual cost shall be levied as a special assessment against all of the Owners in proportion to their assessment shares provided in paragraph 14.7.

(c) Insufficient Insurance Proceeds. If the insurance proceeds are insufficient by more than \$50,000.00 to effect total restoration of the Common Properties, then by voting in person or by proxy at a duly called Association meeting, the Voting Members shall determine whether (1) to rebuild and restore the damaged Common Properties in substantially the same manner as they existed prior to damage and to raise the necessary funds in excess of the insurance proceeds by levying special assessments against all the Owners in proportion to their assessment shares; (2) to rebuild and restore the damaged Common Properties in a manner which utilizes all available insurance proceeds, as well as an additional amount (not in excess of \$50,000.00) assessable to all the Owners as aforesaid but which is less expensive than replacing the damaged Common Properties and to distribute the available insurance proceeds to the Owners in proportion to their assessment shares.

(d) Escalation of Threshold Amounts. The dollar amounts specified in paragraphs 13.1(a) through 13.1(c) may, at the discretion of the Board of Directors, be adjusted every 12 months after the Initial Declaration is recorded to reflect changes in the Consumer Price Index published by the United

States Bureau of Labor Statistics (or some alternative or successor index reflecting the cost of living and selected by the Board).

14. Assessments.

14.1 Covenant to Pay; Creation of Lien.

(a) Covenant. Each Owner of each Lot now or hereafter, by accepting an instrument of conveyance to such Lot, hereby covenants and agrees to pay the Association periodic and special assessments as hereinafter provided; and each person or entity who accepts a deed to a Lot and who accepts title thereto as an heir or devisee is hereby deemed to have covenanted and agreed to pay the Association periodic and special assessments as hereinafter provided (whether or not the covenant or agreement is expressly mentioned in the deed or other instrument by which he or it acquired title).

(b) Creation of Lien. Each periodic and special assessment provided for in this paragraph 14, together with any related interest, penalties and costs of collection provided for in this paragraph 14, shall constitute a charge and continuing lien on the Lot against which the assessment is made and on any Improvements on that Parcel that are owned by that Lot's Owner.

(c) Personal Obligation. Each period and special assessment provided for in this paragraph 14, together with any related interest, penalties and costs of collection, shall also constitute the personal obligation of the Owner of the Lot against which the assessment is made and, except as otherwise provided herein, the personal obligation of his successors and assigns. If the Owner consists of more than one person or entity, each such person or entity shall be jointly and severally liable for the obligation.

14.2 Purpose. The assessments imposed pursuant to this paragraph 14 shall be used exclusively for the operation and administration of the Association and the operation, maintenance, restoration, and improvement of the Common Properties as provided in this Declaration and the Bylaws. These purposes shall be liberally construed, however, to promote effectively the welfare, safety and recreational opportunities of the Owners and their tenants.

14.3 Commencement of Obligation. Each Owner shall become subject to paying assessments with respect to his Parcel or Parcels under this paragraph 14 as soon as he acquires his Parcel or Parcels.

14.4 Initial Assessments. Upon purchasing a Parcel from the Developer, each purchaser shall pay to Developer for the benefit of the Association an amount equal to prorated portion of the monthly periodic assessment he will be required to pay with respect to that Parcel. Its payment shall not operate to relieve the Owner who paid it from commencing payment of periodic assessments as provided herein as soon as the conditions set forth in paragraph 14.3 have been met.

14.5 Periodic Assessments; Board's Determination of Amount and Frequency of Payment. Except as provided in Section 14.6, below, the Board shall fix the amount of the periodic assessments for each fiscal year of the Association (or part thereof if assessments commence on other than the first day of such fiscal year), which shall not exceed 105% of the preceding fiscal year's assessment, to be levied against each Owner subject to assessment at least 30 days in advance of the period covered by the assessment. The amount fixed by the Board may include reasonable reserves for repairs and capital improvements of the Common Properties and shall take into account the income, if any, expected to be derived from any lease or other disposition of portions of the Common Properties and any dues or other charges expected to be derived from members of the public entitled to use portions thereof. The Board may provide in its absolute discretion that the periodic assessments be payable either semi-annually, quarterly or monthly, and, if any Owner fails to pay an installment of an annual periodic assessment within 30 days after it is due, the Board may, by written notice to the Owner, accelerate the remaining installments of that assessment.

14.6 Increase in Assessments in Excess of Five Percent. At any time after the Class B member is entitled to vote, the Board can set an assessment in excess of 105% of the preceding years assessment but only upon an affirmative vote of 60% of the Class A members who are present and voting at a duly called regular or special meeting of the members at which a quorum is present.

14.7 Special Assessments.

(a) On Owners Generally. Special assessments may at any time be levied by the Board upon all Owners subject to periodic assessments for any of the following purposes and on any of the following conditions:

- (i) for repair or restoration of the Common Properties after casualty in accordance with paragraph 13.
- (ii) for capital improvements upon the Common Properties (including appurtenant or related fixtures and personalty), provided that any such assessment that is in the aggregate in excess of \$50,000.00 shall require to be cast in favor of it, at a duly called meeting, a majority

of the votes entitled to be cast by the Class A Members who are present in person or by proxy, and any such assessment that is in the aggregate in excess of \$50,000.00 shall require to be cast in favor of it at a duly called meeting two-thirds of the votes entitled to be cast by the Class A Members who are present in person or by proxy and, if the Developer then owns one or more Parcels, the Developer's vote;

(iii) to make up deficits in operating and maintenance accounts resulting from inadequate periodic assessments;

(iv) for purposes and on conditions stated elsewhere herein.

(b) Culpable Owner. A special assessment may be levied against any Owner to collect any liability of that Owner to the Association provided for in paragraph 11.2 or paragraph 13.2 or any liability arising from a violation by that Owner of this Declaration, the Bylaws or the Association's rules and regulations.

14.8 Shares of Assessments. The periodic assessments provided for in paragraph 14.5 and the special assessments provided for in paragraph 14.6(a) shall be assessed against each Lot as provided in this paragraph 14.7.

(a) Concept of "Assessable Lots" and "Planned Assessable Lots". For purposes of this paragraph 14.7 each Lot shall be deemed to one "Assessable Lot"; provided that for so long as the Developer is a Class B Member and Developer is obligated to make the guaranteed maintenance payment described below, no Lot owned by the Developer shall be an Assessable Lot.

(b) Assessments for Common Expenses. In the case of assessments to cover Common Expenses resulting from general administration of the Association and the maintenance, operation, insurance and taxation of the portions of the Common Properties, each Assessable Lot shall have a fractional share of the periodic assessments provided for in paragraph 14.5 and the special assessments provided for in paragraph 14.6(a) equal to one divided by the number of Assessable Lots plus all of the Lots owned by the Developer.

14.9 Non-Use. No Owner may exempt himself from personal liability for periodic or special assessments levied by the Association hereunder, or release his Parcel from the liens imposed hereby, by his failure to use the Common Properties or his abandonment of his Parcel.

14.10 Association's Remedies for Non-Payment.

(a) Penalties for Delinquency. Any assessment that is unpaid for more than 30 days after the date it is due shall bear interest at the highest rate permitted by law from the date it is due until the date it is paid. In addition, the Owner of any Lot with respect to which an assessment is overdue by more than 45 days may be required by the Board to pay the Association a late charge equal to the greater of \$50.00 or 10% of the amount of the delinquent payment.

(b) Enforcement of Lien. The Association may bring an action in its name to foreclose any lien on a Lot in the manner in which mortgages of real property are foreclosed in Florida and may also bring an action to recover a money judgment for unpaid periodic or special assessments with interest thereon (plus the costs and expenses mentioned in paragraph 14.9(c) without waiving any claim of lien, provided that in either case the Association must give the delinquent Owner at least 30 days' written notice of its intentions and, in the case of a foreclosure, must file a claim of lien in the County's Public Records. Upon the curing of any default (including the payment of fees and costs secured by the Association's lien) for which a claim of lien was filed, the Owner curing the default is entitled to have a satisfaction of lien recorded upon payment to the Association of a fee to be determined the Association but not to exceed \$50.00.

(c) Attorney's Fees and Other Costs of Enforcement. Reasonable attorneys' fees incurred by the Association or its agent incident to the collection of an unpaid periodic or special assessment or the enforcement of any lien provided for by paragraph 12.1 (including attorneys' fees in connection with any review of a judicial or administrative proceeding by appeal or otherwise), together with all sums advanced and paid by the Association or its agent for taxes and payments on account of superior liens or encumbrances that may be required to be advanced by the Association or its agent in order to preserve and protect its lien, shall be payable by the Owner liable for the assessment and secured by the Association's lien.

(d) Status of Transferees. No person or entity that acquires title to property within the Properties as a result of foreclosure of an Institutional Mortgage or that accepts a deed to all such property in lieu of foreclosing an Institutional Mortgage of record shall be liable for the share of periodic or special assessments pertaining to that property or chargeable to the former Owner thereof which becomes due prior to its acquisition of title, unless such share is secured by a claim of lien for periodic or special assessments recorded prior to the recording of the mortgage in question. Any such share of assessments for which the new Owner is not liable shall be collectible by periodic or special assessments from all the Owners including the new Owner of the Property in question. Except as expressly provided hereinabove, every grantee in a voluntary conveyance of assessable property

shall be jointly and severally liable for all unpaid periodic or special assessments against the grantor for his share of the assessments up to the time of the conveyance. Anything contained in this paragraph 14.9 to the contrary notwithstanding, each and every Owner, including purchasers at a judicial sale, shall be liable for all periodic and special assessments coming due while he is the Owner of assessable property regardless of how his title to it was acquired.

(e) Cumulative Remedies. The remedies provided in this paragraph 14.9 shall be cumulative and not mutually exclusive.

(f) Association's Certificate. Each Owner of Lot and every holder of a mortgage thereon shall have the right to require from the Association a certificate showing the amount of unpaid periodic or special assessments against the Owner with respect to his Parcel upon payment to the Association of a reasonable fee not exceeding \$25.00. Any person other than Owner of the Parcel in question who relies upon such a certificate shall be protected thereby.

14.11 Lien Priority. Any lien provided for in this paragraph 14.9 shall be subordinate to a competing lien of an Institutional Mortgage made in good faith and for value and recorded before a claim of lien is filed under paragraph 14.9(b).

15. Additional Rights of the Developer.

15.1 General. Notwithstanding any other provision in this Declaration to the contrary, the Developer shall have in addition to its other rights, the rights described below in paragraphs (a) through (h) and it hereby creates and reserves a blanket easement for itself and the Developer's Permittees to enable itself and then to exercise those rights free of any interference by the Association or any Owner:

(a) Effectuation of General Plan of Development. The right to execute all documents and take all actions affecting the Properties which, in the Developer's sole discretion, are desirable or necessary to effectuate or facilitate its plan of development for the Lands;

(b) Platting. The right to plat, re-plat, subdivide and re-subdivide any portion or portions of the Properties it owns;

(c) Easements Over Entrance Road. The exclusive right to grant any easement for ingress, egress and utilities over, along or under the roadway from State Road 33 to the entry gate of the Subdivision to any person or person other than an Owner.

(c) Development Planning. The right to determine, in

its sole discretion, the type of Improvements, if any, to be constructed on the Common Properties and the right to revise its plans concerning such Improvements;

(d) Construction. The right to construct and maintain, on any portion of the Properties owned or controlled by it and on any portion of the Common Properties, whatever Improvements it desires to construct (which right shall include but not be limited to a right of ingress and egress by any and all types of vehicles and equipment to, through, over, and about the Common Properties during whatever period of time the Developer is engaged in any construction or improvement work on or within the Lands, as well as an easement for the storage of materials, vehicles, tools, equipment, and the like which are being utilized in such work);

(e) Marketing. The right to sell, lease and otherwise dispose of existing and planned Lots (and portions thereof), which right shall include (but not be limited to) the right to construct and maintain sales offices, a construction office, and models on any portions of the Properties, to solicit and receive the visits of unlimited numbers of prospective purchasers and tenants (all of whom shall have the right while visiting to use parking spaces on the Common Properties and to visit, use and inspect the facilities on the Common Properties), and to place signs and other promotional devices on any portion or portions of the Properties without regard to their size or aesthetic appeal;

(f) Builders. The right to assign or delegate, fully or partially, to any one or more Builder and/or those Participating Builders' Permittees any one or more of the rights (including exemptions from restrictions or requirements) created or reserved by this Declaration.

(g) Preliminary Development Plan. The Preliminary Development Plan, subject to amendments in conformity with Polk County ordinances, regulations and codes, shall be the basis for platting, development, planning and construction.

(h) Exclusive Right to Construct Improvements. Unless and until waived in writing by Developer, Developer shall have the exclusive right to construct Improvements within the subdivision including Improvements to Lots for residences and/or appurtenances for use in conjunction with an approved recreational vehicle regardless of whether or not the Lot is owned by any other person.

15.3 Injunctive Relief for Interference. The Developer shall be entitled to injunctive relief for any actual or threatened interference with its rights under this paragraph 15, in addition to whatever remedies at law it might be entitled to.

16. Architectural Control.

16.1 Composition. The Architectural Committee shall consist of 3 persons, who initially shall be persons designated by the Developer. Each of those persons shall hold office until all Residential Units planned to be constructed on the Lands have been constructed and conveyed (or sooner at the Developer's option) unless the Developer removes him and replaces him with a new appointee before that time. Thereafter, each new member of the Architectural Committee shall be appointed by the Board of Directors and shall hold office until such time as he resigns or is removed, as provided herein. Members of the Architectural Committee appointed by the Board shall serve at the pleasure of the Board and may be removed by the Board at any time without cause.

16.2 Review of Proposed Construction. Subject to paragraph 16.9, no Improvement (including landscaping) shall be erected or installed, painted or otherwise modified, and no screening, canopy, shutters, solar heating equipment or other appurtenance shall be attached to or placed upon the exterior of an Improvement, unless and until, the plans and specifications showing the nature, kind, shape, height, materials and location of the proposed work have been submitted to, and approved in writing by, the Architectural Committee. The Architectural Committee shall approve proposals or plans and specifications submitted for its approval only if it considers that the construction, alterations or additions contemplated thereby in the locations indicated will not be detrimental to the appearance of the surrounding area or the Properties as a whole, and that the appearance of any structure affected thereby will be in harmony with the surrounding structures and/or is otherwise desirable. The Architectural Committee may condition its approval of proposals and plans and specifications as it deems appropriate, and may require submission of additional plans and specifications or other information prior to approving or disapproving material submitted. The Architectural Committee may also issue rules or guidelines setting forth procedure for the submission of plans for approval. The Architectural Committee may require such detail in plans and specifications submitted for its review as it considers proper. Until receipt by it of required plans and specifications, the Architectural Committee may postpone review of any proposal submitted for approval. The Architectural Committee shall have 30 days after delivery of all required materials to approve or reject any such plans, and a proposal that is not rejected within such 30-day period, shall be deemed approved. Notwithstanding any provision in this paragraph 16 to the contrary, the approval of the Architectural Committee shall not be required for any additions, changes or alterations to an Improvement, if the additions, changes or alterations (as the case may be) are not visible from outside the Improvement, or if, in the case of painting (or the like), the color and quality thereof is substantially the same as those of the Improvement as it originally existed.

16.3 Meetings of the Architectural Committee. T h e Architectural Committee shall meet from time to time as necessary to perform its duties hereunder. The Architectural Committee may from time to time, by resolution unanimously adopted in writing, designate a representative (who may, but need not, be one of its members) to take any action or perform any duties for and on behalf of the Architectural Committee, except the granting of variances pursuant to paragraph 16.2 hereof. In the absence of such a designation, the vote of any 2 members of the Architectural Committee shall constitute an act of the Architectural Committee.

16.4 No Waiver of Future Approvals. The approval of the Architectural Committee of any proposals or plans and specifications or drawings for any work done or proposed, or in connection with any other matter requiring the approval and consent of the Architectural Committee, shall not be deemed to constitute a wavier of any right to withhold approval or consent as to any subsequently or additionally submitted for approval or consent.

16.5 Compensation of Members. The members of the Architectural Committee shall receive no compensation for services rendered, other than reimbursement for expenses incurred by them in the performance of the duties hereunder.

16.6 Inspection of Work. The inspection of work and correction of defects shall proceed as follows:

(a) Notice of Completion. Upon the completion of any work for which approved plans are required under this paragraph 16 hereof, the applicant for such approval (the "Applicant") shall give the Architectural Committee written notice of the completion.

(b) Inspection. Within 30 days thereafter, the Architectural Committee or its authorized representative may inspect the work. If the Architectural Committee finds that the work was not done in substantial compliance with the approved plans, it shall notify the Applicant in writing of the noncompliance within 30 days, specifying the particulars of noncompliance.

(c) Non-Compliance. Any applicant who receives notice of a non-compliance as provided in paragraph 16.6 hereof shall remedy the non-compliance within 30 days of being notified, and if he fails to, the Architectural Committee shall notify the Board in writing of the failure. Upon Notice of Hearing, the Board shall determine whether there is a non-compliance and, if so, its nature and estimated cost of correcting or removing it. If a non-compliance exists, the Applicant shall remedy or remove it within a period of 45 days from the date of the announcement of the Board's ruling. If the Applicant does not comply with the Board's ruling within that period,

the Board, at its option, may either remove the non-complying Improvement or remedy the non-compliance, and in either case the Applicant shall reimburse the Association, upon demand, for all expenses incurred in connection with the Board's action. If the Applicant fails to promptly reimburse the Association its expenses, the Board shall levy a special assessment against the Applicant for reimbursement.

(d) Effect of Committee's Failure to Notify Applicant. If for any reason the Architectural Committee fails to notify the Applicant of any non-compliance within 45 days after receipt of his written notice of completion, the Improvements shall be deemed to be in accordance with the plans approved by the Architectural Committee.

16.7 Failure to Apply. If any work is performed in violation of the first sentence of paragraph 16.2 hereof, the Association shall have (in addition to whatsoever remedies it may have under paragraph 20.4 hereof) the same remedies it would have under paragraph 16.6(c) hereof had the Board determined the work to have resulted in non-compliance.

16.8 Non-Liability of Committee Members. Neither the Architectural Committee, any of its members, nor its authorized representative, shall be liable to the Association, any Owner or any other person or entity for any loss, damage or injury arising out of or in any way connected with the performance of the Architectural Committee's duties hereunder, unless the loss, damage or injury is due to the willful misconduct or bad faith of one of its members (in which case only the culpable member shall have any liability). The Architectural Committee shall review and approve or disapprove all plans submitted to it for any proposed Improvement, alteration or addition solely on the basis of aesthetic considerations and the overall benefit or detriment which would result to the immediate vicinity and to overall community created or planned to be created on the Lands. The Architectural Committee shall take into consideration the aesthetic aspects of the agricultural designs, the extent of its visual impact on the rest of the community, the placement of buildings, landscaping, color schemes, exterior finishes and materials and similar features. It shall not, however, be responsible for reviewing any plans or design from the standpoint of structural safety or conformance with building or other codes.

16.9 Variances. The Architectural Committee may authorize a variance from compliance with any of the architectural provisions of this Declaration when circumstances such as topography, natural obstructions, hardship, aesthetic or environmental considerations dictate a variance. Any such variance must be evidenced in a writing signed by at least a majority of the members of the Architectural Committee. No violations of the Covenants shall be deemed to have occurred with respect to a matter for which the

variance was granted. The granting of such a variance shall not, however, operate to waive any of the Covenants for any purpose except as to the particular property and particular provisions hereof covered by the variance, nor shall it affect in any way the Owner's obligation to comply with all governmental laws and regulations affecting his use of the premises, including, but not limited to, zoning ordinances and set-back lines or requirements imposed by any governmental or municipal authority.

16.10 Exemptions. The provisions of this paragraph 16 shall be completely inapplicable to the Developer and all authorized Builders and to any and all construction, alterations, additions or other work planned or performed by the Developer, the Developer's Permittees, any Builder or any Builder's Permittees (provided, however, that the foregoing shall not be construed to bar the Developer from imposing restrictions or requirements on Builders and their Permittees apart from this Declaration).

17. Amendments to Declaration.

This Declaration may be amended only by (1) the affirmative vote or written consents of the Owners constituting not less than a majority of the Class A Members if the Class B Membership has ceased or (2) if the Class B Membership has not ceased, the affirmative vote of the Class B Members; provided, however, that no amendment shall be permitted which has a materially adverse effect upon substantial rights of an owner of Institutional Mortgagee without the Mortgagee's prior written consent and no amendment shall be permitted which changes the rights, privileges and obligations of the Developer or any Builder hereunder without the Developer's prior written consent; provided further, however, that no amendment shall be permitted which changes the rights, privileges and obligations of the Association with respect to the Surface Drainage System without the prior written consent of the Southwest Florida Water Management District (or a successor agency). Without in any way limiting the generality of the foregoing, as long as it owns any portion of the Lands, the Developer shall have an absolute right to make any amendments to this Declaration (without any other party's consent or joinder) that are requested or required by the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association or any other governmental or quasi-governmental body which owns or expects to own one or more Institutional Mortgages on Residential Units or to insure the payment of one or more such mortgages or that are requested or required by any Institutional Mortgagee or prospective Institutional Mortgagee to enhance the salability of its mortgages on residential improvements to one or more of the foregoing. Nothing contained herein shall affect the right of the Developer to make, without the consent or approval of any other Owner or any Institutional Mortgagee or anyone else, whatever amendments or Supplemental Declarations are otherwise expressly permitted hereby

to be made without any such consent or approval, or to make, without any such consent or approval, any amendment designed to correct a scrivener's or surveyor's error.

18. Effect and Duration of Covenants.

The Covenants shall run with, bind, benefit and burden all of the Properties, and shall run with, bind and be enforceable by and against the Developer, the Association, every Owner, and the respective legal representatives, heirs, successors and assigns of each, for a term of 25 years from the date the Initial Declaration is recorded. After that time they shall be automatically extended for successive periods of 10 years each unless an instrument has been recorded in which 80 percent of the then Owners agree by signing it to revoke the Covenants in whole or in part and the County consents to the revocation; provided, however, that no such agreement shall be effective unless it is made and recorded at least 2 years before the effective date of the change provided for in it and unless written notice of the proposed agreement is sent to every Owner at least 90 days before any action is taken. Each person who owns, occupies or acquires any right, title, estate or interest in or to any portions of the Properties shall be conclusively deemed to have consented and agreed to each and every one of the provisions of this Declaration, whether or not any reference to the provisions of this Declaration is contained in the instrument by which that person acquired an interest in that property. If any provision or application of this Declaration would prevent the provisions of this Declaration from running with the Properties 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 the provisions hereof to so run with the Properties; 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 (i.e., that the provisions hereof run with the lands as aforesaid) be achieved.

19. Miscellaneous Provisions.

19.1 Constructive Notice and Acceptance. Each person who owns, leases, occupies or otherwise has any right, title, estate or interest in or to any Lot shall be conclusively deemed to have consented and agreed to each and every one of the Covenants, whether or not reference to the Covenants is contained in the instrument by which that person acquired an interest in that property.

19.2 Enforcement Generally. The Association or any Owner may enforce the Covenants by any proceeding at law in equity against any person or persons violating or attempting to violate any one or more of them.

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19.3 No Waiver. No requirement contained in this Declaration or the Bylaws shall be deemed to have been waived by the Association's failure to enforce it, regardless of the number of violations of the requirement that occur.

19.4 Severability. The invalidity in whole or in part of any covenant, restriction or other provision of this Declaration, the Bylaws or the Articles shall not effect the validity of their remaining portions.

19.5 Gender and Plurality. Whenever the context so requires, the use of the masculine gender shall be deemed to include all genders, the use of the singular to include the plural, the use of the plural to include the singular.

19.6 Notice to Owners. Whenever notices are required to be given hereunder, they shall be sent to the Owners by Certified Mail at the address of their Parcel. Such notices shall be deemed given when deposited in the United States Certified Mail. Any Owner may change his mailing address by written notice given to the Association.

19.7 Captions. The captions used in this Declaration are inserted solely as a matter of convenience and shall not be relied upon or used in construing the effect or meaning of any of the provisions that follows them.

19.8 Liberal Construction. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a workable plan for the operation of a first-class community on the Properties.

IN WITNESS WHEREOF, Developer has caused these presents to be signed in its name by its proper officer and its corporate seal to be affixed, all on this 11th day of July, 1997.

Signed in the presence of:

ANCHOR INVESTMENT CORPORATION
OF FLA. a Florida corporation

By: George M. Lindsay, III
George M. Lindsay, III, as its Executive
Vice President
P.O. Box 1667
Lakeland, FL 33802-1667

Jocice Hutchinson
Jocice Hutchinson
(Type or Print Name)

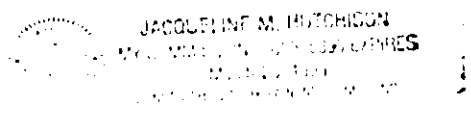
John L. Mann
John L. Mann
(Type or Print Name)

STATE OF FLORIDA
COUNTY OF POLK

The foregoing instrument was acknowledged before me on this the 16th day of July, 1997, by George M. Lindsey, III, who is personally known to me or who has produced _____ as identification and who did (did not) take an oath, as Executive Vice President of ANCHOR INVESTMENT CORPORATION OF FLA., a Florida corporation, on behalf of the corporation.

Jacqueline M. Hutchison
Notary Public
Jacqueline M. Hutchison
(Print or Type Notary Name)
Commission (Serial) Number: _____
My Commission Expires: _____

(SEAL)



3871 2168
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DESCRIPTION

MT. OLIVE SHORES NORTH - OVERALL PROPERTY

A part of Sections 31 and 32, Township 26 South, Range 25 East, Polk County, Florida, more particularly described as follows: Commence at the Northeast corner of said Section 31; thence run S 1°38'07" E, 2656.44 feet along the East line of the Northeast 1/4 of said Section 31 to the Southeast corner of the Northeast 1/4 of said Section 31, said point also being the Northwest corner of the Southwest 1/4 of Section 32, Township 26 South, Range 25 East, Polk County, Florida; thence run N 86°28'04" E, 1154.78 feet along the North line of the Southwest 1/4 of said Section 32; thence run S 3°31'56" E, 120.00 feet to a point on the Southerly right-of-way line of State Road No. 33 (a 200' R/W) and the Point of Beginning; thence run N 86°28'04" E, 774.65 feet along said right-of-way line to the East line of the West 1/2 of the Northeast 1/4 of the Southwest 1/4 of said Section 32; thence run S 3°18'33" E, 1185.62 feet along said line to the Southeast corner of the West 1/2 of the Northeast 1/4 of the Southwest 1/4 of said Section 32; thence run S 86°26'04" W, 1957.01 feet along the South line of the North 1/2 of the Southwest 1/4 of said Section 32 to the Southwest corner of the North 1/2 of the Southwest 1/4 of said Section 32; thence run S 2°07'17" E, 1307.14 feet along the East line of the Southeast 1/4 of said Section 31 to the Southeast corner of said Section 31; thence run S 86°47'09" W, 2063.23 feet along the South line of the Southeast 1/4 of said Section 31; thence run N 10°57'09" E, 1650.00 feet; thence run N 5°31'47" E, 1087.26 feet to the South right-of-way line of the aforementioned State Road No. 33; thence run S 87°07'17" E, 744.00 feet along said right-of-way line to a point on the arc of a curve, concave Northerly, having a radius of 18133.08 feet, a delta of 612°08", and a chord bearing of N 89°34'07" E; thence run Easterly 1962.89 feet along said right-of-way and the arc of said curve to the Point of Beginning.

AND

East 1/2 of the Northeast 1/4 of Section 6, Township 27 South, Range 25 East, Polk County, Florida; LESS begin at the Northeast corner of Section 6, Township 27 South, Range 25 East, Polk County, Florida, and run S 1°38'07" E, along the Section line, 1199.17 feet to the center of an existing Grove middle; thence S 88°24'53" W, in the center of said Grove middle and its projection westward, 1345.24 feet to the West boundary of the East 1/2 of the Northeast 1/4 of said Section 6; thence N 1°51'42" W, along said West boundary, 1208.50 feet to the Northwest corner of said East 1/2 of the Northeast 1/4; thence N 88°48'36" E, along the Section line, 1350.06 feet to the Point of Beginning.

AND

Begin at the Northeast corner of Section 6, Township 27 South, Range 25 East, Polk County, Florida, and run S 1°38'07" E, along the Section line, 1199.17 feet to the center of an existing Grove middle; thence S 88°24'53" W, in the center of said Grove middle and its projection westward, 1345.24 feet to the West boundary of the East 1/2 of the Northeast 1/4 of said Section 6; thence N 1°51'42" W, along said West boundary 1208.50 feet to the Northwest corner of said East 1/2 of the Northeast 1/4; thence N 88°48'36" E, along the Section line, 1350.06 feet to the Point of Beginning.

LESS AND EXCEPT

Commence at the Northwest corner of the Southwest 1/4 of Section 32, Township 26 South, Range 25 East, Polk County, Florida and run thence S 02°07'17" E, along the West boundary of said section a distance of 135.27 feet to the Point of Beginning; continue thence S 02°07'17" E, along said section boundary 987.72 feet; run thence N 86°17'24" E, 122.23 feet to the beginning of a curve to the left having a radius of 480.00 feet and a central angle of 24°19'12"; run thence Northeasterly along said curve an arc distance of 203.74 feet; run thence N 03°40'51" W, 130.54 feet to a point on a curve whose radius point lies N 36°41'32" W, 370.49 feet; run thence Northeasterly along said curve through a central angle of 03°01'10", an arc distance of 19.74 feet to the beginning of a curve to the right having a radius of 635.00 feet and a central angle of 55°15'01"; run thence Northeasterly and Southeasterly along said curve an arc distance of 612.33 feet; run thence S 74°46'36" E, 526.67 feet; run thence N 86°26'04" E, 197.62 feet to the beginning of a curve to the left having a radius of 50.00 feet and a central angle of 89°44'37"; run thence Northeasterly and Northwesterly along said curve an arc distance of 78.32 feet; run thence N 03°18'33" W, 389.20 feet; run thence N 36°38'05" W, 348.54 feet; run thence N 03°31'56" W, 165.15 feet to the Southerly right-of-way line of State Road No. 33; run thence S 86°24'33" W, along said right-of-way line 292.98 feet to the beginning of a curve to the right having a radius of 17308.74 feet and a central angle of 03°40'00"; run thence Southwesterly along said curve and right-of-way line an arc distance of 1107.68 feet; run thence S 44°01'36" W, 69.30 feet to the Point of Beginning.

Exhibit "A"

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DESCRIPTION

MT. OLIVE SHORES NORTH - PHASE ONE

COMMENCE AT THE NORTHEAST CORNER OF THE SOUTHEAST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 31, TOWNSHIP 28 SOUTH, RANGE 25 EAST, POLK COUNTY, FLORIDA AND RUN THENCE N 02°07'20" W, 119.74 FEET TO A POINT OF BEGINNING LYING ON A CURVE HAVING A CENTRAL ANGLE OF 88°24'41", WHOSE RADIUS POINT LIES N 87°52'40" E, 25.00 FEET; RUN THENCE NORTHEASTERLY ALONG SAID CURVE AN ARC DISTANCE OF 38.58 FEET; RUN THENCE N 00°08'25" W, 40.08 FEET; RUN THENCE S 86°17'21" W, 25.70 FEET; RUN THENCE N 02°07'20" W, ALONG THE EAST BOUNDARY OF SAID SECTION 31, A DISTANCE OF 1037.72 FEET TO A POINT ON THE SOUTHERLY RIGHT OF WAY LINE OF STATE ROAD NO. 33, SAID POINT LYING ON A CURVE HAVING A RADIUS OF 17308.74 FEET, A CENTRAL ANGLE OF 02°40'04", AND WHOSE CHORD BEARS N 88°25'32" W, RUN THENCE NORTHWESTERLY, ALONG SAID CURVE TO THE RIGHT AND SAID RIGHT OF WAY LINE, AN ARC DISTANCE OF 805.92 FEET; RUN THENCE N 87°05'30" W, ALONG SAID RIGHT OF WAY LINE, 743.45 FEET; RUN THENCE S 05°31'44" W, 1087.96 FEET; RUN THENCE S 10°57'06" W, 483.28 FEET; RUN THENCE S 79°02'54" E, 317.18 FEET; RUN THENCE N 86°20'23" E, 222.57 FEET; RUN THENCE N 88°47'01" E, 119.90 FEET TO A POINT ON A CURVE HAVING A CENTRAL ANGLE OF 07°17'58", WHOSE RADIUS POINT LIES S 71°58'37" E, 320.00 FEET; RUN THENCE NORTHEASTERLY ALONG SAID CURVE AN ARC DISTANCE OF 40.77 FEET; RUN THENCE N 25°19'21" E, 46.25 FEET; RUN THENCE S 64°40'39" E, 40.00 FEET; RUN THENCE S 25°19'21" W, 46.25 FEET TO THE BEGINNING OF A CURVE TO THE LEFT HAVING A RADIUS OF 280.00 FEET AND A CENTRAL ANGLE OF 09°27'51", RUN THENCE SOUTHWESTERLY ALONG SAID CURVE AN ARC DISTANCE OF 46.25 FEET TO A POINT ON A CURVE HAVING A RADIUS OF 435.00 FEET, A CENTRAL ANGLE OF 57°08'12", AND WHOSE CHORD BEARS N 83°36'59" E, RUN THENCE SOUTHEASTERLY AND NORTHEASTERLY ALONG SAID CURVE TO THE LEFT AN ARC DISTANCE OF 433.79 FEET; RUN THENCE N 55°02'53" E, 418.10 FEET; RUN THENCE N 34°57'07" W, 90.00 FEET; RUN THENCE N 58°14'24" E, 40.06 FEET; RUN THENCE S 34°57'07" E, 141.85 FEET; RUN THENCE N 56°20'21" E, 115.47 FEET; RUN THENCE N 86°20'23" E, 125.99 FEET; RUN THENCE N 02°07'20" W, 120.61 FEET; RUN THENCE N 84°58'02" E, 60.08 FEET TO THE POINT OF BEGINNING.

Exhibit "B"

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