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DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS,
EASEMENTS AND RESERVATIONS FOR
PALM LAKE

KNOW ALL MEN BY THESE PRESENTS, that this Declaration of Covenants, Conditions, Restrictions, Easements and Reservations for Palm Lake (the "Declaration"), is made and entered into as of this 12th day of OCTOBER, 1994, by PAUL CURTIS REALTY, INC., a Florida corporation, hereinafter referred to as the "Developer."

W I T N E S S E T H:

WHEREAS, the Developer is the record owner of fee simple title to approximately 19 acres of real property, hereinafter described in Article I hereof, all of which property is located in Orange County, Florida and is hereinafter referred to as "Palm Lake" or the "Subject Property", interchangeably; and

WHEREAS, the Developer intends that Palm Lake be developed, improved, occupied, used, and enjoyed as a unique and attractive single family residential community of high quality and order; and

WHEREAS, the Developer desires to provide for the preservation of the values and amenities in said community, in accordance with a uniform plan of development with consistently high architectural, environmental and aesthetic standards, so as to create a unique, pleasant, attractive and harmonious physical environment which will enhance the quality of life for all residents of Palm Lake; and, to this end, desires to subject Palm Lake to the covenants, conditions, restrictions, easements and reservations hereinafter set forth, each and all of which is and are for the benefit of the Subject Property and each Owner thereof:

NOW, THEREFORE, the Developer declares Palm Lake shall be held, transferred, sold, conveyed and occupied subject to the covenants, conditions, restrictions, easements, reservations, charges and liens (sometimes referred to as "Covenants and Restrictions") hereinafter set forth.

ARTICLE I
DEFINITIONS

The following words when used in this Declaration (unless the

Eug. G. Moore

context shall prohibit) shall have the following meanings:

(a) "Approved Builder" shall mean and be defined as those builders of residential units approved by the ARB to construct residential improvements in Palm Lake pursuant to Section 4.7 of this Declaration.

(b) "ARB" shall mean and refer to the Architectural Review Board created pursuant to Article XI of this Declaration, which is responsible for the review and approval of all plans, specifications and other materials describing improvements proposed to be constructed in Palm Lake and the administrations of ARB responsibility under the Declaration.

(c) "Association" shall mean and refer to the PALM LAKE HOMEOWNERS ASSOCIATION, INC., a Florida corporation not-for-profit.

(d) "Common Expenses" shall mean and be defined as those costs and expenses of the Association more particularly identified and described in Section 7.2 of this Declaration.

(e) "Common Streets" shall mean and refer to Tract "B" as designated on the Plat of Palm Lake, to be developed as a gated common street, subject to the conditions and uses set forth in the recorded Plat.

(f) "Institutional Lender" shall mean and be defined as and to include:

(a) any state or federal savings bank, commercial bank or savings and loan association, any real estate investment trust, any insurance company, any mortgage banking company, any pension and/or profit sharing plan or any other lending or investing institution generally and customarily recognized as being engaged, in the ordinary course of its business, in making, holding, insuring or guarantying, first lien priority real estate mortgage loans, and

(b) the Developer, to the extent that Developer shall hold a mortgage upon any portion of the Subject Property, and all successors, assignees and transferees of Developer, who shall own or hold any mortgage upon the Subject Property or any portion thereof which was originally executed and delivered to and own and held by Developer.

(g) "Living Unit" shall mean and refer to any portion of a building or a single family structure situated upon a Lot, designed and intended for use and occupancy as a residence by a single family.

(h) "Lot" shall mean and refer to any subdivision of land shown on the recorded plat of Palm Lake, other than Tract "A" and Tract "B", which Lot is identified and designated as a numbered Lot.

(i) "Member" shall mean and refer to all those Owners who are Members of the Association as provided in Article X, Section 1.

(j) "Owner" shall mean and refer to the Owner of public record, including the Developer, whether one or more persons or entities, of the fee simple title to any Lot, but notwithstanding any theory of law, the Owner shall not mean or refer to any mortgagee unless and until the mortgagee has acquired title pursuant to foreclosure or proceedings in lieu of foreclosure.

(k) "Planning Criteria" shall mean and refer to guidelines adopted by the ARB as its Planning Criteria, as more particularly set forth in Section 11.3 of this Declaration.

(l) "Retention Area" shall mean and refer to that area of land designated as Tract "A" on the Plat of PALM LAKE, to be used as a stormwater retention area, subject to the conditions and uses set forth on the recorded Plat.

(m) "Subject Property" shall mean and refer to the property described in the attached Exhibit "B".

ARTICLE II OBJECTS AND PURPOSES

The covenants, conditions, restrictions, easements and reservations set forth in this Declaration are hereby imposed upon Palm Lake for the following objects and purposes:

(a) To establish Palm Lake as a premier single family residential community in Orange County, Florida.

(b) To create, develop, foster, maintain, preserve and protect within Palm Lake a unique, pleasant, attractive and harmonious physical environment, which will contribute to and enhance the quality of life for all residents of and visitors to Palm Lake.

(c) To ensure that the development of Palm Lake will proceed pursuant to a uniform plan of development with consistently high architectural, environmental and aesthetic standards.

(d) To ensure the proper and appropriate subdivision, development, improvement, occupation, use and enjoyment of each Lot, piece, parcel or tract of land within Palm Lake.

(e) To protect each Lot, piece, parcel or tract of land within Palm Lake against the improper, undesirable, unattractive or inappropriate subdivision, development, improvement, occupation, use and enjoyment of contiguous adjacent or neighboring Lots, pieces, parcels or tracts of land.

(f) To encourage the development, construction, maintenance and preservation of architecturally and aesthetically attractive, and harmonious improvements appropriately designed for and properly located on each Lot, piece, parcel or tract of land within Palm Lake.

(g) To provide for the future ownership, management, administration, improvement, care, maintenance, use, regulation, reservation and protection of all common property within Palm Lake, specifically including the Common Streets and Retention Area, and to provide for and insure the availability of funds required therefore.

(h) To provide for the establishment, maintenance, preservation, protection and enhancement of consistently high property values within Palm Lake.

(i) To accomplish, meet, satisfy and fulfill certain governmental regulations and other governmental requirements, specifically including those of the South Florida Water Management District and Orange County (including those imposed by Orange County in a Developer Agreement for Palm Lake and in connection with the plat for Palm Lake, as the same may be changed, amended or modified from time to time.

ARTICLE III EFFECT OF DECLARATION

Section 3.1 Covenants Running with Land. Each and every one of the covenants, conditions, easements, restrictions and reservations contained herein are hereby declared to be, and shall hereafter continue as, covenants running with title to those portions of the Subject Property upon which the same are hereby imposed as an encumbrance.

Section 3.2 Property Affected. This Declaration, and the covenants, conditions, restrictions, easements and reservations set forth herein, shall be binding upon, inure to the benefit of and constitute a burden upon all of the Subject Property in accordance with the terms set forth herein. Accordingly, as more particularly specified in this Declaration, all Lots, and tracts of land within the Subject Property shall hereafter be owned, held, transferred, sold, conveyed, demised, devised, assigned, leased, mortgaged, occupied, used and enjoyed subject to and benefited and burdened by the terms and provisions of this Declaration and each of the covenants, conditions, restrictions, easements and reservations contained herein.

Section 3.3 Parties Affected. Except as hereinafter specifically provided, this Declaration shall be binding upon and inure to the benefit of all Owners of the Subject Property affected and encumbered by this Declaration, including the Developer and the

Association, and all other persons having or claiming any right, title or interest in such property. Accordingly, each and every person or party who or which shall hereafter acquire, have or claim any right, title or interest in or to any Lot, piece, parcel or tract of land within the Subject Property, whether by, through or under the Developer or any subsequent Owner, shall, by virtue of the acceptance of any such right, title, interest or claim, whether by deed or other instrument, or by operation of law or otherwise, and whether voluntarily or involuntarily, be deemed to have acquired and accepted such right, title, interest or claim in or to any such Lot, piece, parcel or tract of the Subject Property subject to and benefited and burdened by the covenants, conditions, restrictions, easements and reservations set forth in this Declaration the same as if such person or party had specifically joined in and agreed and consented to each and every one of the terms and provisions of this Declaration and the same as if each and every one of the covenants, conditions, easements, restrictions and reservations set forth in this Declaration had been fully set forth in the deed or any other instrument of conveyance pursuant to which such right, title, interest or claim was acquired.

ARTICLE IV RESTRICTIVE COVENANTS

The Subject Property shall be subject to the following restrictions, reservations and conditions, which shall be binding upon the Developer and upon each and every Owner who shall acquire hereafter a Living Unit or Lot or any portion of the Subject Property, and shall be binding upon their respective heirs, personal representatives, successors and assigns, as follows:

Section 4.1. Land Use.

(a) No Lot shall be used except for residential purposes (except for Developer's and builder's sales and construction offices). No building shall be erected upon any Lot without the prior approval thereof by the ARB as hereinbelow set forth. There shall be only one Living Unit per Lot.

(b) No business, commercial, industrial, trade, professional or other non-residential activity or use of any nature, type, kind or description shall be conducted upon or from any Lot or within any Improvements located or constructed thereon. This shall not prevent the Developer, Approved Builders approved by the ARB or any agent of Developer, from maintaining sales and/or construction offices on the Subject Property.

(c) No illegal, noxious, unpleasant, unsightly or offensive activity shall be carried on or conducted upon or from any Lot nor shall anything be done thereon which may be or tend to become or cause an unreasonable annoyance or nuisance, whether public or private, to residents in the immediate vicinity or to the Palm Lake

community in general or which may be or tend to become an interference with the comfortable and quiet use, occupation or enjoyment of any other Lot or any Common Property.

(d) No reptiles, livestock, poultry or animals of any kind, nature or description shall be kept, bred or raised upon any Lot, except for dogs, cats, birds or other usual and customary household pets which may be kept, raised and maintained upon Lots, provided that the same are not kept, raised, or maintained thereon for business or commercial purposes or in number deemed unreasonable by the discretion. Numbers in excess of two (2) of each such type of household pet (other than aquarium-kept tropical fish) shall prima facie be considered unreasonable. Notwithstanding the foregoing provisions of this Section 4.1(d) permitting dogs, cats, birds or other usual and customary household pets, no such reptiles, animals, birds or other pets may be kept, raised or maintained on Lots under circumstances which, in the good faith judgment of the Developer or the Association, shall constitute an unreasonable annoyance or nuisance to residents in the vicinity or an unreasonable interference with the comfortable and quiet use, occupation and enjoyment of other Lots or adjoining Common Property.

(e) No electrical or electromagnetic signals, machinery, devices or apparatus of any sort shall be used or maintained on any Lot which causes interference with normal television or radio reception received on any other Lot.

Section 4.2. Living Unit Quantity and Size. No building shall be erected, altered, placed or permitted to remain other than one detached single-family dwelling not to exceed two and one-half stories in height (basement shall not be considered as a "story"). Such permitted building may include: a private enclosed garage for not less than three (3) standard size automobiles, servants quarters, a storage room and/or a tool room. Unless approved in advance by the ARB, both as to the use as well as the location and architectural design, no structure may be constructed separate and apart from the Living Unit. Each Living Unit shall have the minimum square footage of air conditioned and heated living area, exclusive of open porches or garages, as determined by the ARB Planning Criteria. In addition to the height limitation set forth above, Living Units constructed upon Lots 5, 6, and 7 shall not exceed one (1) story in height, unless such condition is waived, in whole or as to one Lot, by the Developer after consultation with neighboring property owners.

Section 4.3. Building Location. No Living Unit shall be located nearer to the lot lines than the minimum setbacks required by the Orange County Zoning Regulations.

Section 4.4. Garages. No carports shall be permitted and all garages must have inside dimensions large enough to enclose, at

least, three standard size automobiles. Any garage entrance visible from the street in front of any Lot shall be equipped with an aesthetically designed garage door. All garages and garage doors must be maintained in useable condition.

Section 4.5. Sewage and Water Facilities. It shall be the sole responsibility of each builder constructing a Living Unit at his, her or its sole expense, to apply for the permits to install, construct and maintain a septic tank or tanks on each individual Lot upon which a Living Unit is constructed in conformity with the laws of the State of Florida, and the County of Orange, and the rules and regulations of their administrative agencies and officials, now or hereafter in effect with regard to septic tanks, sewage and disposal.

Section 4.6. Landscaping. Landscaping shall be as required by the ARB Planning Criteria.

Section 4.7. Approved Builders. In order to assure that all construction undertaken within Palm Lake is of the highest quality and is conducted expeditiously and with the least possible disruption to adjacent and neighboring lots and properties, and in order to assure that property values within Palm Lake may at all levels be protected and maintained at the highest possible levels, the construction of any and all improvements within Palm Lake, including the construction of single family residential dwellings, must be undertaken only by, through or with a builder, or general contractor approved in writing by the Developer as being qualified and otherwise acceptable to the Developer to perform construction work within Palm Lake ("Approved Builders"). Accordingly, all Owners of Lots in Palm Lake agree that in connection with the construction of any improvements, including single family residential dwellings to be constructed on any Lot, such Owners shall only use and employ an Approved Builder from among the list of Approved Builders from time to time maintained by Developer and made available to all Owners of Lots at Developer's onsite office at Palm Lake. In the event that any Owner shall use, employ or attempt to use or employ a person or firm other than an Approved Builder to construct any such improvements on a Lot, the Developer and the Association shall be entitled to either (i) enjoin such construction by other than an Approved Builder, or (ii) to obtain damages from such Owner. All builders hereafter approved by the Developer must be (a) licensed in the State of Florida and the County to engage in the business of residential building and construction and (b) approved in writing by the Developer as being qualified and otherwise acceptable to the Developer to perform construction work within Palm Lake. The latter approval shall be within the sole and absolute discretion of Developer, unless and until such discretion is delegated to the ARB by Developer.

Section 4.8. ARB Authority. The ARB shall have the authority as hereinbelow expressed in Article XI, from time to time

to include within its promulgated residential Planning Criteria other restrictions regarding such matters, including but not limited to, prohibitions against window air-conditioning units, for sale signs, mailboxes, temporary structures, nuisances, garbage and trash disposal, vehicles and repair, removal of trees, gutters, easements, games and play structures, swimming pools, sight distance at intersections, utility connections and television and other communication antennae, driveway construction, and such other restrictions as it shall deem appropriate. Said restrictions shall be governed in accordance with the criteria hereinbelow set forth for residential planning criteria promulgated by the ARB. However, once the ARB promulgates certain restrictions, same shall become as binding and shall be given the same force and effect as the restrictions set forth herein until the ARB modifies, changes, or promulgates new restrictions or the Association modifies or changes restrictions set forth by the ARB.

Section 4.9. Association Rights. The Association may promulgate restrictions or modify or change restrictions promulgated by the ARB as set forth in Section 4.8 immediately preceding.

ARTICLE V COMMON PROPERTY

Section 5.1 Common Property. Common Property shall mean (i) Tract A, as shown on the Plat and designated for use as a Retention Area, and associated open space and surface water management purposes; (ii) Tract B, as shown on the Plat and designated for use as common streets and associated road rights-of-way, gate house and entry features, and utility systems (not including, however, the potable water distribution system of Orange County, the electric power lines and facilities of Florida Power Corporation, the telephone lines and facilities of United Telephone Company of Florida or the natural gas lines, if any) which are hereafter to be conveyed by the Developer to the Association. Common Property also shall include the ten (10') foot easement reserved on the Plat for construction, maintenance and use as a buffer area including walls or fences as determined appropriate from time to time by the Association (the "Buffer Wall Easement").

Section 5.2 Conveyance by Developer. On or before the date of the first conveyance of any Lot by the Developer to any other Owner, Tract A, Tract B and the Buffer Wall Easement hereinabove described in Section 5.1 shall be conveyed by the Developer to the Association, free and clear of any and all liens, encumbrances, exceptions or qualifications whatsoever, save and except only (a) real property taxes for the year of such conveyance, (b) title exceptions of record, if any, (c) the covenants, conditions, restrictions, easements and reservations set forth in this Declaration and any amendments hereto, and (d) any special

covenants, conditions, restrictions, easements and reservations which may be created in the instrument or conveyance pursuant to which title to such Common Property is conveyed by the Developer to the Association.

Section 5.3 Restriction on Use. Subsequent to the conveyance of any Common Property to the Association by the Developer, the Common Property shall, subject only to the easements specified in Sections 5.1 and Article VI of this Declaration, be developed, improved, maintained, used and enjoyed solely for the purposes specified in this Declaration and for the common health, safety, and welfare of the residents of and visitors to Palm Lake and for no other purpose or purposes whatsoever. No other use shall be made of the Common Property without the prior written consent of the Developer.

Section 5.4 Restriction on Conveyance. Subsequent to the conveyance of any Common Property to the Association by the Developer, the Common Property may not be subdivided, partitioned, sold, transferred, conveyed, alienated, leased, mortgaged or hypothecated by the Association in any manner whatsoever, without the prior written consent of the Developer. Neither shall the Common Property be abandoned by the Association without the prior written consent of the Developer so long as Developer owns any Lot in Palm Lake. Upon a violation of the provisions of this Section 5.4 title to any Common Property so subdivided, partitioned, sold, transferred, conveyed, alienated, leased, mortgaged or hypothecated by the Association without the prior written consent of the Developer shall automatically revert to and become revested in the Developer upon the filing of the Developer among the public records of Orange County of an appropriate declaration of its intention to accept such reversion.

Section 5.5 Use by Owners. Subject to any reasonable rules and regulations adopted and promulgated by the Association pursuant to and in accordance with the provisions of Section 5.8 of this Declaration and subject always to any and all easements granted by or reserved to the Developer in this Declaration, each and every Owner shall have the non-exclusive right, privilege and easement to use and enjoy the Common Property for the purpose or purposes for which the same is conveyed, designated and intended by the Developer and maintained by the Association, and such non-exclusive right, privilege and easement shall be an appurtenance to and shall pass with the title to each and every Lot within the Subject Property; subject, however, at all times to the terms, and provisions of the covenants, conditions, restrictions, easements and reservations set forth in this Declaration or such other rules and regulations promulgated from time to time by the Association with respect to the use of the Common Property.

Section 5.6 Waiver of Use. No Owner may exempt himself or herself from personal liability for, or exempt a Lot from, any

assessments duly levied by the Association, or release the Lot owned by him or her from the liens, charges, encumbrances and other provisions of this Declaration, or the rules and regulations of the Association, by (a) the voluntary waiver of the right, privilege and easement for the use and enjoyment of the Common Property; or (b) the abandonment of his Lot.

Section 5.7 Administration and Care. The administration, regulation, care, maintenance, repair, restoration, replacement, preservation and protection of the Common Property shall be the responsibility of the Association as more particularly set forth in Article IX of this Declaration and the Articles of Incorporation of the Association.

Section 5.8 Rules and Regulations. In addition to the foregoing restrictions on the use of Common Property, the Association shall have the right, power and authority, subject to the prior written consent and approval of Developer (so long as Developer owns a Lot in Palm Lake), to promulgate and impose reasonable rules and regulations governing and/or restricting the use of Common Property and to thereafter change, modify, alter, amend, rescind and augment any of the same; provided, however, that no rules or regulations so promulgated shall be in conflict with the provisions of this Declaration. Any such rules and or regulations so promulgated by the Association shall be applicable to and binding upon all Common Property and all Owners and their successors and assigns as well as upon all member of their families, their tenants, guests, and other invitees and upon all other persons claiming by, through or under such Owners.

Section 5.9 Exculpation From Liability and Responsibility. ALL COMMON STREETS AND ROADS WITHIN PALM LAKE AND THE SURFACE WATER MANAGEMENT SYSTEM AND RETENTION AREA FOR PALM LAKE, ARE PRIVATE; NOT PUBLIC. THEY HAVE NOT BEEN AND SHALL AND WILL NOT BE DEDICATED TO OR ACCEPTED OR MAINTAINED BY ANY GOVERNMENTAL AUTHORITY, INCLUDING THE COUNTY. AS HEREINABOVE PROVIDED IN ARTICLE V, IT IS CONTEMPLATED THAT TITLE TO OR EASEMENTS FOR THE COMMON STREETS AND ROADS AND THE SURFACE WATER MANAGEMENT SYSTEM FOR PALM LAKE HAVE HERETOFORE BEEN OR SHALL HEREAFTER BE GRANTED AND CONVEYED BY THE DEVELOPER TO THE ASSOCIATION. FOLLOWING SUCH CONVEYANCE THE ASSOCIATION SHALL, SUBJECT TO THE TERMS AND PROVISIONS OF THIS DECLARATION, HAVE SOLE AND EXCLUSIVE JURISDICTION OVER AND RESPONSIBILITY FOR THE OWNERSHIP, ADMINISTRATION, MANAGEMENT, REGULATION, CARE, MAINTENANCE, REPAIR, RESTORATION, REPLACEMENT, IMPROVEMENT, PRESERVATION AND PROTECTION OF THE COMMON STREETS AND ROADS AND SURFACE WATER SYSTEM WITHIN PALM LAKE. ACCORDINGLY, EACH OWNER, BY THE ACCEPTANCE OF A DEED OR OTHER CONVEYANCE TO HIS LOT SHALL BE DEEMED TO HAVE AGREED THAT NEITHER THE DEVELOPER, ORANGE COUNTY NOR ANY OTHER GOVERNMENTAL AGENCY SHALL HAVE ANY LIABILITY OR RESPONSIBILITY WHATSOEVER (WHETHER FINANCIAL OR OTHERWISE) WITH RESPECT TO THE COMMON STREETS AND ROADS AND THE SURFACE WATER MANAGEMENT SYSTEM FOR PALM LAKE AND EACH SUCH OWNERSHIP SHALL BE

DEEMED TO HAVE FURTHER AGREED TO LOOK SOLELY AND EXCLUSIVE TO THE ASSOCIATION WITH RESPECT TO ANY SUCH LIABILITY OR RESPONSIBILITY.

Section 5.10 Payment of Assessments Not Substitute for Taxes. The payment of Assessments from time to time established, made, levied, imposed and collected by the Association pursuant to this Declaration, including, without limitation, those for the maintenance of the Common Property, including those Assessments for maintenance of the Common Streets and the Retention Pond, shall not be deemed to be a substitute for or otherwise relieve any Owner of the Subject Property from paying any other taxes, fees, charges or assessments imposed by Orange County or any other governmental authority.

ARTICLE VI EASEMENTS

Section 6.1 Easements Generally. The Developer, on behalf of itself and for the benefit, where so stated, of Orange County, the Association, all Owners and all other specified parties, and also for the benefit of all real property from time to time included with Palm Lake, hereby creates, declares and reserves the following easements upon those affected portions of Palm Lake hereinafter specified.

Section 6.2 Ingress, Egress and Passage Easement. There is hereby created, declared, granted and reserved for the benefit of the Developer, the Association and each Owner of each Lot, piece, parcel and tract of land within the Subject Property, and their respective employees, guests and invitees, and governmental bodies, and also for the benefit of all private persons and public agencies providing pickup and delivery, fire protection, law enforcement, utility and other governmental services, including the United States Postal Service, a non-exclusive easement for pedestrian and vehicular ingress, egress and passage over and upon the rights-of-way of and for all Common Streets as the same are shown on the Plat and designated Tract B. Such easement for ingress, egress and passage shall be subject to and limited by such reasonable controls, including temporary stoppage and interruption at gates for identification purposes, as may from time to time be established and promulgated by the Association.

Section 6.3 Utility Easements. There are hereby created, declared, granted and reserved for the benefit of the Developer, Orange County, the Association, all Owners and any public or private providers of utility services to the Subject Property and their respective successors and assigns, a non-exclusive easement for utility purposes over, under, within and upon the rights-of-way of and for all Common Streets and over, under, within and upon all other utility easements and easement areas shown on the Plat or otherwise reserved, declared or created pursuant to this Declaration, for the purposes of constructing, installing,

inspecting, maintaining, repairing and replacing from time to time any and all utility lines, systems and facilities from time to time located therein or thereon. The utilities contemplated to be served by such utility easements shall include, without limitation, those providing electric power, natural gas, telephone, potable water, cable television and electronic services.

Section 6.4 Drainage Easements. There is hereby created, declared and reserved for the benefit of the Developer, the Association and all Owners a non-exclusive easement for storm water collection, retention, detention and drainage over, upon and within the rights-of-way of all Common Streets and all other drainage easements shown on the Plat or otherwise reserved, declared or created pursuant to this Declaration, including Tract "A", together with an easement and license to enter upon such easements and easement areas for the purposes of constructing, installing, inspecting, maintaining, repairing and replacing any and all storm water drainage systems, landscaping, improvements and facilities from time to time located therein or thereon. Additionally, the Developer, for the benefit of itself, the Association and all Owners hereby reserves easements over any and all other portions of the Subject Property as may be reasonably required, from time to time, in order to provide storm water drainage to all or any portions of the Subject Property; provided, however, that any such additional drainage easements shall not unreasonably interfere with the use and enjoyment by any Owners of the particular Lots or the Common Property affected thereby or any Improvements from time to time placed, located, constructed, erected or installed thereon. The easements hereinabove created, declared and reserved contemplate the construction of all storm water drainage improvements and facilities shown on the plans for the Surface Water Management System for Palm Lake as approved by Orange County and the South Florida Water Management District pursuant to Notice of Intent to Construct Works General Permit and Stormwater Discharge Certification No. 48:00823-S, as modified, and any replacement or substitute permits issued by the South Florida Water Management District, and such additional or supplemental facilities as may reasonably be required to provide adequate storm water drainage and surface water management to all portions of the Subject Property.

Section 6.5 Emergency Access and Drainage Easement. There is hereby created, declared, granted and reserved for the benefit of Orange County, a non-exclusive easement over and upon the Common Streets, the Retention Pond and all drainage easements comprising and appurtenant thereto, for the purpose of undertaking emergency maintenance and repairs to the surface water management system in the event that inadequate maintenance or repair of the surface water management system shall create a hazard to the public health, safety or general welfare. To the extent that Orange County shall, in fact, undertake any such emergency maintenance and repairs to the surface water management system because of the inadequate

maintenance and repair thereof by the Association, Orange County shall have a lien upon the Common Property as security for the payment by the Association of those costs and expenses reasonably incurred by the County in connection therewith. It is expressly provided, however, that the creation, declaration and reservation of such Emergency Access and Drainage Easement shall not be deemed to impose upon the County any obligation, burden, responsibility or liability to enter upon the Subject Property or any portion thereof, to take any action to maintain or to repair the surface water management system or any portion or portions thereof.

Section 6.6 Wall and Landscape Easements. There is hereby created, declared, granted and reserved for the benefit of the Developer and the Association an easement for landscaping purposes over and upon all Buffer Wall Easement areas shown on the Plat or hereafter declared by the Developer, together with the easement and license to enter upon such Buffer Wall Easement areas for the purposes of installing, maintaining, inspecting, repairing and replacing any and all privacy systems, walls, landscaping, including trees, grasses, shrubs, bushes, ground covers and other plant materials and irrigation systems of any kind; whether the same shall be required by the Orange County and/or deemed necessary or desirable by the Developer or the Association.

Section 6.7 Sidewalk Easements. There is hereby created, declared and reserved for the benefit of the Developer, the Association and all Owners an easement for sidewalk purposes over, within and upon lands located within ten (10) feet of and immediately adjacent to all of the Common Streets within Palm Lake, for the purposes of constructing, installing, maintaining, repairing and replacing from time to time the sidewalk system of Palm Lake, if any. All of such benefitted parties shall have a non-exclusive easement for pedestrian ingress, egress and passage over and upon any sidewalks from time to time located, constructed, installed and maintained within said Sidewalk Easement areas. The Sidewalk Easements and the sidewalks from time to time constructed, installed and located therein, if any, are hereby declared and shall hereafter be deemed to be Common Property; notwithstanding that the same are located upon Lots the fee simple title to which is vested in the Owners of the affected Lots.

Section 6.8 Construction and Sales Easements. There is hereby created, declared, granted and reserved for the benefit of the Developer, together with the right to grant, assign and transfer the same to the Developer's sales agents and sales representatives as well as to Approved Builders or building contractors approved by Developer for the construction of residences within Palm Lake, easements for construction activities upon Lots and for the maintenance on Lots from time to time of sales and administrative centers in which and from which the Developer and its authorized sales agents and sales representatives and Approved Builders may engage in exhibit, sales and

administrative activities of a commercial nature on a temporary basis during the period of the development and construction within Palm Lake; provided, however, that such exhibit, sales and administrative activity shall be conducted from and within buildings constructed as single family residential dwellings which are temporarily used for such exhibit, sales and administrative activities and which are thereafter to be sold, used and occupied as single family residential dwellings and temporary trailers if authorized by Developer. The location of such sales and administrative centers within Palm Lake may be changed from time to time by the Developer, in its sole and absolute discretion.

Section 6.9 Association Easement. There is hereby created, declared and granted to the Association such easements over and upon all or any portion of the Subject Property, as may be reasonably necessary to permit the Association to carry out and discharge its duties, obligations and responsibilities under and pursuant to this Declaration and the Articles of Incorporation, By-laws and Rules and Regulations of the Association. Such Association Easement shall be in addition to the Drainage Easements hereinabove granted to the Association pursuant to Section 6.4 of this Declaration for the purpose of constructing, installing, inspecting, maintaining, repairing and replacing any and all portions of and facilities comprising the surface water management system for Palm Lake.

Section 6.10 Future Easements. There is hereby reserved to the Developer and its successors and assigns, together with the right to grant and transfer the same, the right, power and privilege to, at any time hereafter, grant to itself, the Association, Orange County or any other entities such other, further and additional easements as may be reasonably necessary or desirable, in the sole opinion and within the sole discretion of the Developer, for the future orderly development of Palm Lake in accordance with the objects and purposes set forth in this Declaration. It is expressly provided, however, that no such further or additional easements shall be granted or created over and upon Lots pursuant to the provisions of this Section, if any such easement shall unreasonably interfere with the presently contemplated or future use and development of a particular Lot as a single family residential home site. The easements contemplated by this Section 6.10 may include, without limitation, such easements as may be required for utility, drainage, road right-of-way or other purposes reasonably related to the orderly development of Palm Lake in accordance with the objects and purposes specified in this Declaration. Such further or additional easements may be hereafter created, granted, or reserved by the Developer without the necessity for the consent or joinder of the Owner of the particular portion of the Subject Property over which any such further or additional easement is granted or required.

ARTICLE VII
ASSESSMENTS

Section 7.1. Assessments for Common Expenses. In order to provide for and assure the availability of the funds necessary to pay Common Expenses associated with the ownership, administration, management, regulation, care, maintenance, repair, restoration, replacement, preservation and protection of the Common Property and such additional Common Expenses as may be associated with and otherwise necessary for the Association to perform its duties and obligations pursuant to and in accordance with this Declaration and its Articles of Incorporation and By-Laws, and to otherwise carry out and accomplish the objects and purposes for which the Association has been created and established, each Lot and each Owner of such Lot shall, by the acceptance of a deed or other conveyance of title to his Lot, whether or not it shall be expressly stated in any such deed or other conveyance, be obligated for and be deemed to have covenanted and agreed to pay to the Association all Assessments, whether Regular Assessments, Capital Expenditure Assessments, Special Assessments or individual Lot Assessments, established, levied, made and imposed by the Association pursuant to this Declaration. All such Assessments shall be established, levied, made, imposed, enforced and collected pursuant to the provisions of this Declaration and the Articles of Incorporation, By-Laws and Rules and Regulations of the Association.

Section 7.2 Common Expenses. The Common Expenses for which Assessments shall be established, made, levied, imposed, enforced and collected by the Association pursuant to this Declaration shall be all costs and expenses incurred by the Association in the discharge and performance of the duties and obligations of the Association pursuant to this Declaration and the Articles of Incorporation and By-Laws of the Association and in furtherance of the objects and purposes for which the Association has been formed, created and established, including, without limitation, the following costs and expenses, to wit:

(a) Those incurred in the management and administration of the business and affairs of the Association, including, but not limited to, the salaries of any employees of the Association and the fees or other compensation paid to consultants to the Association, including, without limitation, architects, engineers, accountants and attorneys.

(b) Those incurred in connection with the ownership, administration, management, regulation, care, maintenance, repair, restoration, replacement, improvement, preservation and protection of the Common Property, including, without limitation, the Common Streets, and the Retention Area.

(c) Reasonable reserves for repairs to and replacement of the

Common Property, including, without limitation, the Common Streets and the Retention Area.

(d) Those incurred for utility services to the Association and the Common Property, including, without limitation, electric power for the common street lighting, central electronic privacy controls (if any), central cable television and irrigation systems.

(e) Those incurred for garbage and trash collection, removal and disposal services provided to the Association.

(f) Those incurred for Common Property landscape maintenance and replacement, including irrigation.

(g) Those incurred for services to the Subject Property, including the salaries of security guards if any are subsequently employed by the Association (it not being the intent of Developer to hire a security guard), and other equipment and facilities necessary for the furnishing of services to the Subject Property, including, without limitation, guardhouses, guard gates, central electronic privacy system and the like, whether the same are provided directly by the Association itself or by way of services contracted with an independent contractor.

(h) Those incurred in connection with the regulation of traffic on the Common Streets; within and upon the Subject Property, including, without limitation, the acquisition, maintenance, care, repair and replacement of traffic control and other signs, including street, stop and directional signs.

(i) Those incurred as premiums on or for any insurance obtained by the Association, including, without limitation, fire, casualty, liability and other insurance covering the Common Property and health, medical, workman's compensation and other insurance covering employees of the Association, if any.

(j) All taxes, paid by the Association, including, without limitation, ad valorem real and personal property taxes on the Common Property, if any.

(k) Those incurred in connection with any payments by the Association for the discharge of any lien or encumbrance upon the Common Property or any portion thereof.

(l) Those incurred by the ARB in the performance of its duties and obligations pursuant to this Declaration, including, without limitation, the fees of, or other compensation paid to, consultants to the ARB, including architects, landscape architects, engineers and attorneys.

(m) Those incurred in connection with the acquisition and

repayment of any loans made to the Association, including the principal of, interest on and closing costs and other charges associated with any such loan or loans and/or purchase money financing engaged in by the Association.

(n) Those incurred in connection with the enforcement of the provisions of this Declaration, including the fees, costs and expenses of any attorney retained or employed by the Association for that purpose.

Section 7.3 Use of Assessments. The funds received and derived from any and all Assessments made by the Association shall be used exclusively for the performance of the duties and obligations of the Association pursuant to this Declaration, the payment of Common Expenses, the improvement of the Common Property, the operation and administration of the Association and the promotion of the health, safety, and general welfare of the residents of Palm Lake.

Section 7.4 Prohibited Use of Assessments. Notwithstanding anything to the contrary set forth in or otherwise implied from the terms and provisions of this Declaration, generally, or Section 7.1 of this Declaration in particular, the Association shall not have the power or authority to use, make, levy, impose, enforce and collect and is hereby expressly prohibited from using, making, levying, imposing, enforcing and collecting any Assessment for the purpose, in whole or part, of financing the prosecution of or otherwise supporting any actual or contemplated litigation, including any and all appeals related thereto, against the Developer with respect to matters related to Palm Lake or its development or operation. If, notwithstanding the foregoing prohibition, the Association shall attempt to use, make, levy, impose, enforce and collect any Assessment for such prohibited purpose or use, the Developer and any Lot or other property owned by Developer within Palm Lake shall be and are hereby exempted from any such Assessment or attempted Assessment.

Section 7.5 Lien for Assessments. All Assessments established, made, levied, and imposed by the Association pursuant to this Declaration, together with interest, late charges, costs and expenses, including attorneys' fees associated with the collection thereof (whether suit be brought or not), shall be a charge and a continuing lien upon each Lot against or with respect to which any such Assessment is made or levied.

Section 7.6 Personal Liability for Assessment. In addition to the foregoing lien for such Assessments, each such Assessment, together with interest, late charges, costs and expenses, including attorneys' fees associated with the collection thereof (whether suit be brought or not), as aforesaid, shall also be the personal obligation and liability of the Owner of the Lot against or with respect to which any such Assessment is made, levied or imposed at

the time such Assessment is so made, levied or imposed. Such personal liability for Assessments made, levied or imposed pursuant to this Declaration prior to the sale, transfer or other conveyance of a particular Lot shall not, by virtue of any such sale, transfer or other conveyance, pass to such Owner's successor or successors in title unless such personal liability of the Owner shall be expressly assumed as the personal obligation of such successor or successors in title; provided, however, that no such assumption of personal liability by such successor or successors in title shall relieve any Owner otherwise personally liable for payment of Assessments from the personal liability and obligation of the payment of the same.

Section 7.7 Types of Assessments. The Association is hereby authorized and empowered to establish, make, levy, impose, enforce and collect those Regular Assessments, Capital Expenditure Assessments, Special Assessments and Individual Lot Assessments for which provision is made in this Declaration.

Section 7.8 Regular Assessments. The Association shall be and is hereby authorized, empowered and directed to establish, levy, make, impose, enforce and collect during each calendar year a Regular Assessment for Common Expenses to be incurred by the Association during such calendar year in the performance of its duties and obligations pursuant to this Declaration. Such Regular Assessments shall be established, made, levied, imposed, enforced, collected and otherwise governed by the following provisions, to wit:

Section 7.8.1 Initial Regular Assessment. The initial or first Regular Assessment for calendar year 1995 shall be SIX HUNDRED FIFTY AND NO/100 DOLLARS (\$650.00) per Lot.

Section 7.8.2 Rate of Regular Assessments. Subsequent to calendar year 1995 the amount of the Regular Assessment for each calendar year shall be established and determined by the Board of Directors of the Association not later than thirty (30) days prior to the beginning of each calendar year. The Board shall establish the Regular Assessment for each calendar year based upon a pro forma operating statement or estimated budget for such calendar year which in turn shall be based, among other things, upon an estimate of the total Common Expenses likely to be incurred during such calendar year, taking into account the previous operating history of and any surplus funds (not including reserves) held by the Association, and the establishment of reasonable reserves for the maintenance and replacement of and repairs to the Common Property, including the Common Streets and the Retention Area. The Association shall, at least thirty (30) days prior to the establishment of the Regular Assessment for the next succeeding calendar year, provide to each Owner a copy of the pro forma operating statement or estimated budget to be used by the Association in the establishment of the Regular

Assessment for the next succeeding calendar year. The total amount of the Common Expenses so estimated shall be divided by the total number of Lots within the Subject Property in order to determine the amount of the Regular Assessment for each Lot for such calendar year.

Section 7.8.3 Notice of Regular Assessments. Not later than fifteen (15) days prior to the beginning of each calendar year the Association shall provide written notice to each Owner of the amount of the Regular Assessment established, made, levied and imposed for the next succeeding calendar year and the dates upon which installments for the same shall become due and payable.

Section 7.8.4 Commencement of Regular Assessment. Unless otherwise determined by the Board of Directors of the Association, regular Assessments shall commence as to all Lots on the first day of the month following the first conveyance of a Lot by the Developer to any Owner.

Section 7.8.5 Insufficient Regular Assessments. In the event that the Association shall determine during any calendar year that the Regular Assessment established for such calendar year is or will become inadequate or insufficient to meet all Common Expenses for such calendar year, for whatever reason, the Association shall be entitled to immediately determine the approximate amount of the deficiency or inadequacy of the Regular Assessment for such fiscal year, issue a supplemental estimate of Common Expenses to all members of the Association and within thirty (30) days thereafter establish, make, levy, impose, enforce and collect a supplemental or revised Regular Assessment for such calendar year.

Section 7.8.6 Limitation on Increases. After the Association's first full calendar year of operation the Association shall not establish, make, levy, impose, enforce and collect any Regular Assessment which is increased over the amount of the Regular Assessment for the immediately preceding calendar year by more than twenty-five percent (25%) without the prior approval of a majority of each class of members who are voting in person or by proxy at a meeting of the Association duly called for such purpose and of which written notice specifying the amount of a proposed increase in the Regular Assessment over the Regular Assessment for the prior fiscal year is sent to each member of the Association at least thirty (30) days in advance of such meeting.

Section 7.8.7 Payment of Assessments. Regular Assessments shall be due and payable in advance in monthly or quarterly installments as determined by the Board of Directors of the Association, in its reasonable discretion. Such installments shall be due and payable without any further

notice other than that notice specified in Section 7.8.3 above.

Section 7.8.8 Developer Option. Notwithstanding anything set forth in this Declaration to the contrary, the Developer shall have the option of either: (a) paying the Regular Assessment with respect to each Lot owned by the Developer from time to time, the same as any other Owner or (b) paying the difference between the actual Common Expenses incurred by the Association for a particular calendar year over the total amount of Regular Assessments levied by the Association against all other Lots (i.e., Lots not owned by Developer) during such year.

Section 7.8.9 Reserves. The Regular Assessments shall include reasonable amounts as determined by the Board of Directors of the Association to be collected as reserves against and for the future periodic maintenance, repair or replacement of all or any portion or portions of the Common Property including, without limitation, the Common Streets, the Retention Area and Common Area Buffer Wall and landscaping, or for such other purpose or purposes as shall be determined by the Board of Directors of the Association, in its reasonable discretion. Such portion of Regular Assessments representing amounts collected as reserves, whether pursuant to this Section 7.8.9 or otherwise, shall be deposited by the Association in a separate interest bearing bank account to be held in trust by the Association for the purpose or purposes for which the same are collected and are to be segregated from and not commingled with any other funds of the Association.

Section 7.9 Capital Expenditure Assessments. In addition to the other Assessments for which provision is made in this Declaration, the Association shall be and is hereby authorized and empowered to establish, make, levy, impose, enforce and collect from time to time Capital Expenditure Assessments for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction or the unexpected repair or replacement of any capital improvement to or upon the Common Property or the cost of the initial purchase or any subsequent unexpected repair or replacement of any fixtures, equipment or personal property purchased, repaired or replaced by the Association in furtherance of the discharge of its duties and obligations pursuant to this Declaration; provided, however, that any such Capital Expenditure Assessment shall have the prior approval of two-thirds (2/3) of all classes of members who are voting in person or by proxy at a meeting of the Association duly called for such purpose and of which written notice specifying the nature of the proposed capital expenditure and the amount of the proposed Capital Expenditure Assessment is sent to all members of the Association at least thirty (30) days in advance of such meeting. All sums collected as

Capital Expenditure Assessments shall be used only for the capital improvements or purchases for or with respect to which such Capital Expenditure Assessment has been approved and such sums shall be deposited by the Association in a separate interest bearing bank account, not commingled with any other funds of the Association, to be held in trust by the Association for such purposes.

Section 7.10 Special Assessments. In addition to other Assessments for which provision is made in this Declaration, the Association shall be and hereby is authorized and empowered to establish, make, levy, impose, enforce and collect from time to time Special Assessments for any purpose directly related to the discharge of its duties and obligations pursuant to this Declaration, provided, however, that any such Special Assessment shall have the prior approval of two-thirds (2/3) of all classes of members of the Association who are voting in person or by proxy at a meeting of the Association duly called for such purpose and of which written notice specifying the nature and amount of the proposed Special Assessment is sent to all members of the Association at least thirty (30) days in advance of such meeting. All sums collected as Special Assessments shall be used only for the purpose for which such Special Assessment is established, made, levied, imposed, enforced and collected and shall be deposited in a separate interest bearing bank account, not commingled with any other funds of the Association, and held in trust by the Association for such purpose.

Section 7.11 Individual Lot Assessment. In addition to any other Assessments for which provisions are made in this Declaration, the Association shall be and hereby is authorized and empowered to establish, make, levy, impose, enforce and collect against and from a particular Lot and the Owner of such Lot an Individual Lot Assessment for:

(a) costs and expenses incurred by the Association in bringing a particular Owner or his particular Lot into compliance with the provisions of this Declaration, including any action taken or cost or expense incurred by the Association to cure and eliminate any violation of or non-compliance with the provisions of this Declaration, following the failure of such Owner, within fourteen (14) days following written notice from the Association of the nature of the violation of or non-compliance with this Declaration, to cure or remedy such violation or non-compliance;

(b) costs and expenses, including reasonable attorneys' fees, whether or not suit be brought, incurred by the Association in the enforcement of the provisions of this Declaration against a particular Lot or the Owner of such Lot;

(c) costs and expenses incurred by the Association in furnishing or providing labor, services and materials which

benefit a particular Lot or the Owner of a particular Lot provided that such labor, services or materials can be accepted or rejected by such particular Owner in advance of the Association's furnishing or providing the same such that upon such Owner's acceptance of any such labor, services or materials such Owner shall be deemed to have agreed that the costs and expenses associated therewith shall be made, levied, imposed, collected and enforced as an Individual Lot Assessment against such particular Owner and his particular Lot; and

(d) reasonable overhead expenses of the Association associated with any Individual Lot Assessment, established, made, levied, imposed, collected and enforced pursuant to this Section 7.11, in an amount not to exceed fifteen percent (15%) of the actual costs and expenses incurred by the Association for any Individual Lot Assessment specified in subparagraph (a), (b) or (c) of this Section 7.11.

Section 7.12 Quorum for Action Authorized Under Sections 7.8.6, 7.9 and 7.10. The quorum required at any meeting of the Association for any action authorized pursuant to Sections 7.8.6, 7.9 and 7.10 of this Declaration shall be as follows: At the first meeting called for the purpose of taking any such action the presence at such meeting, in person or by proxy, of members of the Association entitled to cast fifty percent (50%) of all of the votes of the members shall constitute a quorum. If the required quorum is not forthcoming at such first meeting, a subsequent meeting may be called for the same purpose, subject to the notice requirements set forth in said Sections 7.8.6, 7.9 and 7.10, and the required quorum at any such subsequent meeting shall be one-half (1/2) of the required quorum at the first meeting; provided, that no such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 7.13 Uniformity of Assessments. Except for Individual Lots Assessments for which provision is made in Section 7.11 of this Declaration, all Assessments shall be uniformly fixed at an equal amount per Lot, and shall be collected on a uniform basis from the Owner of each Lot.

Section 7.14 Special Reserve Account to Pay Maintenance for Common Streets. Notwithstanding any other provisions contained herein, in order to comply with the provisions of that certain Developer Agreement for Palm Lake dated Oct. 25, 1994 recorded in Official Records Book 4822, Page 1373, Public Records of Orange County, Florida, (the "Developer Agreement") a portion of each Regular Assessment (initially TWO HUNDRED TEN DOLLARS (\$210.00) per Lot improved with a residential unit per year) shall be placed in a Special Reserve Account to pay for future major maintenance of the Common Streets, subject to limitations contained in the Developer Agreement by and between Orange County and Developer.

Pursuant to such Developer Agreement the Special Reserve Account shall at no time be required to exceed EIGHTY-ONE THOUSAND NINE HUNDRED DOLLARS (\$81,900.00). At such time as such Special Reserve Account has declined below EIGHTY-ONE THOUSAND NINE HUNDRED DOLLARS (\$81,900.00), a portion of the Assessments to be levied by the Association shall include supplemental sums necessary to reestablish this Special Reserve Account at EIGHTY-ONE THOUSAND NINE HUNDRED DOLLARS (\$81,900.00) in accordance with the Developer Agreement. Such sums shall only be used by the Association to maintain the Common Streets. At least annually, documentation sufficient to confirm the existence of such Special Reserve Account and the amount of monies contained therein shall be submitted to Orange County, Florida, by the Association or on its behalf.

Section 7.15 Subordination of Assessment Lien. The lien of and for all Assessments provided for in this Declaration shall be and is hereby made junior, inferior and subordinate in all respects to the lien of any bona fide first mortgage held by an Institutional Lender upon a particular Lot. The sale, transfer or conveyance of title to a particular Lot shall not affect the effectiveness, viability or priority of any Assessment lien or the personal liability of the Owner of such Lot for the payment of any Assessment; provided, however, that the sale, transfer or conveyance of title to a particular Lot pursuant to judicial proceedings in foreclosure of a bona fide first mortgage on such Lot held by an Institutional Lender shall extinguish the lien of such Assessments (but not the personal liability of the Owner of such Lot) as to payments on account thereof which became due and payable prior to such foreclosure sale, transfer or conveyance. However, no such foreclosure sale, transfer or conveyance shall relieve such Lot or the Owner of that Lot from the personal obligation or liability for the payment of any Assessments accruing or becoming due and payable subsequent to such sale, transfer or conveyance from the lien thereof.

Section 7.16 Certificate of Assessments Due. The Association shall, upon the request of an Owner or any other interested party, furnish a certificate executed by its President, Secretary, Treasurer or any other officer thereunto duly authorized, setting forth whether Assessments payable with respect to a particular Lot have been paid, the amount of the delinquency, if any, and the amounts of any outstanding and unpaid interest, late charges, penalties, costs of collection, including attorneys' fees and court costs, if any, associated with any such delinquent Assessments. A properly executed certificate of the Association as to the status of Assessments, as aforesaid, shall be binding upon the Association as conclusive evidence of the status of the payment of any Assessment therein stated to have been paid or to be delinquent as of the date of the issuance of such certificate. The Association shall be entitled to charge and collect a reasonable fee for and as a condition precedent to the issuance of any such certificate.

Section 7.17 No Defenses or Offsets. All Assessments shall be payable in the amounts and at the times specified in any Notice of Assessment and no defenses or offsets against the payment of such amount shall be permitted for any reason whatsoever, including, without limitation, any claim by an Owner that (i) the Association is not properly exercising its rights and powers or performing or discharging its duties and obligations as provided in this Declaration or its By-Laws; (ii) an Owner and his family has made or elected to make no use of the Common Property; or (iii) the Owner and his family have otherwise waived or elected to waive their membership in the Association.

Section 7.18 Waiver of Homestead and other Exemptions. Each Owner, by the acceptance of a deed or other conveyance to his Lot, shall, to the extent permitted by applicable law, be deemed to have waived, to the extent of any lien for Assessments at any time imposed upon such Lot pursuant to this Declaration, the benefit of any homestead or similar exemption laws of the State of Florida or the United States of America now in effect or hereafter enacted.

Section 7.19 Initiation Fee. In addition to the Regular Assessments, every Owner shall be required to pay an Initiation Fee to be admitted as a member of the Association in the amount of SIX HUNDRED AND FIFTY DOLLARS (\$650.00) which sum shall be paid by the Owner to the Association on or before the time of purchasing its Lot. Notwithstanding the foregoing, to the extent any Approved Builder, as herein defined, purchases a Lot and pays such original Initiation Fee to the Association no additional Initiation Fee shall be due at the time of the sale of such Lot and Living Unit to an initial purchaser from such Approved Builder and such Approved Builder can obtain reimbursement of such Initiation Fee from such new Owner at the time of such sale. The Association may use any part or all of said Initiation Fee for the purposes set forth in this Article. The Developer, when it sells a Living Unit or a Lot, shall not be required to pay the original Initiation Fee, however, any subsequent purchaser from Developer shall be required to pay such Initiation Fee.

ARTICLE VIII NON-PAYMENT OF ASSESSMENTS

Section 8.1 Delinquency. Any Assessment established, made, levied or imposed by the Association pursuant to and in accordance with this Declaration which is not paid on its due date shall be delinquent. With reasonable promptness after any Assessment becomes delinquent, the Association shall provide written notice of such delinquency to the Owner of the Lot with respect to which such delinquent Assessment has been made, levied and imposed. If the delinquent Assessment is not paid within ten (10) days following the delivery of such notice of delinquency, the Association, in its discretion, shall be entitled to immediately impose a reasonable late charge associated with the administration of such delinquent

Assessment. Additionally, any such unpaid Assessment shall bear interest from the date of delinquency at the highest rate then allowed by the laws of the State of Florida or such lesser rate as shall be determined by the Board of Directors of the Association, in its discretion.

Section 8.2 Notice of Lien. The Association shall, at any time following the expiration of a period of ten (10) days following the aforesaid delivery of the notice of delinquency, be entitled to cause a Claim of Lien for such delinquent Assessments to be filed among the Public Records of Orange County, Florida. Any such Claim of Lien shall, among other things, state and identify the legal description of the Lot against or with respect to which the lien is claimed, the name of the record Owner of such Lot as best known to the Association as determined from its records, the amount of the lien claimed, including interest, late charges, and costs and expenses associated with collection, including attorneys' fees, if any, accrued to the date of the execution of such Claim of Lien. Such Claim of Lien shall be executed by the President, Secretary, Treasurer or other officer of the Association thereunto duly authorized by the Association or by the attorney for the Association. Within seven (7) days of the recording of the same, a copy of such Claim of Lien shall be sent to the Owner of the Lot against or with respect to which such lien is claimed by either: (a) United States certified or registered mail with return receipt requested and with postage prepaid or (b) hand delivery to the mailbox of the residential dwelling situate on such Lot.

Section 8.3 Foreclosure of Assessment Lien. The Association shall, at any time subsequent to the filing of the aforesaid Claim of Lien among the Public Records of Orange County, Florida against or with respect to a particular Lot, be entitled to bring an action in the Circuit Court of the Ninth Judicial Circuit in and for Orange County, Florida to foreclose the lien of the Association for delinquent Assessments evidenced by such Claim of Lien in the same manner as mortgage liens are foreclosed. Any judicial sale pursuant to such foreclosure action shall be conducted as ordered by the Court or in accordance with the provisions of Section 45.031 Florida Statutes, as amended or replaced from time to time. The Association shall have the right and power to bid at any foreclosure sale with respect to any lien foreclosed by it using its judgment for the delinquent Assessment, Association funds, or funds otherwise borrowed by the Association for that purpose, and if the successful bidder at such foreclosure sale, to acquire, own, hold, lease, sell, mortgage and convey any Lot upon or with respect to which it has foreclosed its lien for delinquent Assessments.

Section 8.4 Collection from Owner. The Association shall, at any time following the delivery of the aforesaid notice of delinquency, also be entitled to bring an action at law for the

recovery and collection of such delinquent Assessment in the Circuit Court of the Ninth Judicial Circuit in and for Orange County, Florida against the Owner of the Lot personally obligated for the payment of such delinquent Assessment. Each Owner of a Lot, by the acceptance of a deed or other conveyance of the Lot owned by him shall be deemed to have agreed and consented to the jurisdiction of said Court over the person of such Owner for purposes of any action at law for the recovery and collection of any delinquent Assessment for the payment of which he is personally obligated.

Section 8.5 Judgment Amount. Whether in an action at equity to foreclose the lien of the Association for delinquent Assessments or in an action at law for the recovery and collection of any such delinquent Assessment from the Owner of the Lot personally obligated for the payment of the same, the Association shall be entitled to recover in such proceedings the amount of such delinquent Assessment, together with late charges and interest thereon, if any, and such costs and expenses, including reasonable attorneys' fees, associated with the enforcement, recovery and collection thereof as may be awarded by the Court.

Section 8.6 Remedies Cumulative. The remedies herein provided for the collection and enforcement of Assessments and the foreclosure of the lien therefor shall be cumulative and not alternative; it being expressly provided that any suits brought for the collection of assessments against the Owner personally obligated and liable for the payment of the same and for the foreclosure of the lien herein provided against the Lot involved may be brought simultaneously as separate counts in the same action.

Section 8.7 Satisfaction of Lien. Upon payment or other satisfaction of (a) all delinquent Assessments specified in the Claim of Lien, (b) interest, late charges, costs and expenses of collection, including attorneys' fees, as aforesaid, which have accrued to the date of such payment or satisfaction, and (c) all other assessments which have become due and payable with respect to the Lot with respect to which a Claim of Lien has been recorded, the President, Secretary, Treasurer or other officer of the Association, shall cause an appropriate release of such Claim of Lien to be filed and recorded among the Public Records of Orange County, Florida upon the payment by the Owner of the Lot with respect to which such Claim of Lien was recorded of a reasonable fee to be determined by the Association, but not to exceed TWENTY-FIVE AND NO/100 DOLLARS (\$25.00) to cover the costs associated with the administration of the satisfaction of such lien including, without limitation, the cost of preparing and recording such release.

ARTICLE IX
ASSOCIATION: PURPOSES, DUTIES & POWERS

Section 9.1 Objects and Purposes and Function. The Association has been created and established for the objects and purposes of and shall have exclusive jurisdiction over and the sole responsibility for the ownership, administration, management, operation, regulation, care, maintenance, repair, restoration, replacement, preservation and protection of the Common Property, the establishment, levy, imposition, enforcement and collection of all Assessments for which provision is made in this Declaration, the payment of all Common Expenses, as defined in this Declaration, and the promotion and advancement of the health, safety and general welfare of the members of the Association; all as more particularly provided in this Declaration and in the Articles of Incorporation, By-Laws and Rules and Regulations of the Association.

Section 9.2 Duties and Powers, Generally. In addition to those duties and powers conferred by law and those specified and enumerated in its Articles of Incorporation and By-Laws, the Association shall also have such duties and powers as are, respectively, imposed and conferred upon it pursuant to this Declaration, including, without limitation, such duties and powers as may be reasonably implied from, necessary for and incidental to the accomplishment of the objects and purposes for which the Association has been created and established.

Section 9.3 Duties and Powers of Association. The Association, acting by and through its Board of Directors, shall, in addition to those general and specific duties, responsibilities and obligations imposed upon it by law and those specified in its Articles of Incorporation and By-Laws, have the following specific duties, powers, responsibilities and obligations, to wit:

9.3.1 Ownership and Management of Common Property. To own, hold, control, administer, manage, operate, regulate, care for, maintain, repair, replace, restor, preserve and protect all Common Property, whether real, personal or mixed, including, without limitation, all Common Streets, Retention Area and all sidewalks, signs, landscaping, landscape irrigation systems, street lighting systems, central privacy systems (including gates) walls, central cable television systems and all other common improvements, facilities and appurtenances; subject, at all times, however, to the terms and provisions of any document or instrument pursuant to which the Association shall initially acquire title to any Common Property from Developer. Notwithstanding the foregoing powers, pursuant to Section 2 of the Developer Agreement the Association may not seek to dedicate Tract "A" and/or Trace "B" to Orange County, Florida, or request Orange County, Florida to assume maintenance responsibilities for improvement of Tract "A" and/or Tract "B" without the prior approval and

written consent of all Owners of Lots in Palm Lake.

9.3.2 Payment of Common Expenses. To pay all Common Expenses associated with the ownership, administration, management, operation, regulation, care, maintenance, repair, replacement, restoration, preservation and protection of the Common Property, including, without limitation, the Common Streets and the Retention Area, the management and administration of the business and affairs of the Association and all other Common Expenses for which provision is made in this Declaration.

9.3.3 Levy and Collection of Assessments. To establish, make, levy, impose, enforce and collect all Assessments for which provision is made in this Declaration or which shall otherwise be necessary to provide and assure the availability of such funds as may be reasonably necessary to pay all Common Expenses or otherwise conduct the business and affairs of the Association, including, without limitation, such funds as may be necessary to own, manage, administer, operate, care for, maintain, improve, repair, replace, restore, preserve and protect the Common Streets and Retention Area and all other Common Property.

9.3.4 Retention Area and South Florida Water Management District.

(a) The Association shall operate, maintain and manage the surface water or stormwater management systems(s) in a manner consistent with the South Florida Water Management District, Notice of Intent to Construct Works, General Permit and Stormwater Discharge Certification No. 48:00823-S requirements and applicable rules, including all compliance requirements for the duration of the Permit and shall assist in the enforcement of the restrictions and covenants contained herein.

(b) In the event of termination, dissolution or final liquidation of the Association, the responsibility for the operation and maintenance of the surface water or stormwater management system must be transferred to and accepted by an entity which would comply with Section 40E-4.301(f), F.A.C., and be approved by the South Florida Water Management District prior to such termination, dissolution or liquidation.

(c) The Association shall be responsible for the maintenance, operation and repair of the Retention Area and the surface water or stormwater management system. Maintenance of the Retention Area and the surface water or stormwater management system(s) shall mean the

exercise of practices which allow the systems to provide drainage, water storage, conveyance or other surface water or stormwater management capabilities as permitted by the South Florida 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 South Florida Water Management District.

(d) Any amendment to this Declaration which alters the surface water or stormwater management system, beyond maintenance in its original condition, including the water management portions of the Common Area, must have the prior approval of the South Florida Water Management District.

(e) The South Florida Water Management District shall have the right to enforce, by a proceeding at law or in equity, the provisions contained in this Declaration which relate to the maintenance, operation and repair of the surface water or stormwater management system.

9.3.5 Privacy Services. To protect the exclusivity of and provide privacy gates within Palm Lake.

9.3.6 Other Services. To provide and perform such other services and tasks, the responsibility for which has been expressly or impliedly delegated to the Association pursuant to this Declaration.

9.3.7 Insurance. To provide adequate insurance protection on and for the Common Property and, consistent with their respective duties, responsibilities and liabilities, provide adequate insurance protection on and for the Association itself, and on and for its members, officers and directors, as well as for the members of the ARB established pursuant to this Declaration.

9.3.8 Promotion of Health, Safety and Welfare. To advance, promote, enhance and protect the health, safety and general welfare of the members of the Association, and the residents of Palm Lake; provided, however, that the Association shall be and hereby is specifically prohibited from engaging in any political activity or any other activity whereby its status as a corporation not-for-profit or its exemption from Federal or state income taxation, if any, shall be forfeited or jeopardized.

9.3.9 Enforcement of Declaration. To assure compliance with and adherence to and otherwise to enforce the

provisions of this Declaration.

9.3.10 Establish and Enforce Rules and Regulations. To make, establish, promulgate and publish, and to enforce such Rules and Regulations for the protection and governing the use of the Common Property as the Board of Directors of the Association deems to be in the best interest of the Association and its members.

9.3.11 Annual Inspections. Pursuant to the Developer Agreement, the Association shall retain a registered engineer who, using good engineering practices, shall annually inspect the improvements located on Tract "A" and Tract "B" and review the maintenance thereof. In the event such registered engineer determines there are any needed repairs, such repairs shall be commenced by the Association within sixty (60) days following its receipt of the final written report of the registered engineer. Such repairs shall be completed as expeditiously thereafter as reasonably possible. Copies of the registered engineer's annual written reports shall be submitted to Orange County within fifteen (15) days following delivery of such written report to the Association.

9.3.12 Other Activities. To engage in any and all other activities permitted to be engaged in by a corporation not-for-profit under the laws of the State of Florida as may be necessary or appropriate for the achievement of the objects and purposes for which the Association has been created, formed and established.

ARTICLE X
MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 10.1. Membership.

(a) Except as set forth herein, every Owner shall be a Member of the Association. No person or entity who holds record title of a fee or undivided fee interest in any Lot merely as a security for the performance of any obligation shall be a Member. A builder who in its normal course of business purchases a Lot for the purpose of constructing a Living Unit thereon, for resale, shall not become a Member of the Association so long as such builder does not occupy the Living Unit as a residence. Only those persons who purchase a Lot and improvements thereon after completion of construction, and the Developer, shall be Members. If a builder does occupy the Living Unit, he shall become a Member.

(b) For the purpose of this Article, the Developer shall be considered the record Owner of a fee interest in and therefore a Member in regards to all unsold Lots and Living Units either developed or contemplated in the Subject Property.

(c) The Developer shall also have the Voting Rights to all Lots owned by persons or entities not entitled to Membership as herein defined.

Section 10.2. Voting Rights. The Association shall have two Classes of voting membership, as follows:

Class A. Class A Members shall be all those Owners as defined in Section 10.1 with the exception of the Developer. Class A Members shall be entitled to one vote for each Lot in which they hold the interests required for membership by Section 10.1. When more than one person holds such interest or interests in any Lot, all such persons shall be Members, and the vote for such Lot shall be exercised as they among themselves determine, but 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 Developer. The Class B Member shall be entitled to ten votes for each Lot in which it holds the interest required for membership by Section 10.1.

ARTICLE XI ARCHITECTURAL REVIEW BOARD

Section 11.1 Reservation of Architectural Control. No building, pool, fence, wall or other structure shall be commenced, erected or maintained upon the Subject Property, nor shall an exterior addition to or change or alteration be made to any previous improvement on a Lot, until the plans and specifications showing the nature, kind, shape, color, height, materials, and location of the same shall have been submitted to the ARB and approved in writing as to harmony of external design, color and location in relation to surrounding structures and topography by the ARB as herein defined.

Section 11.2 Composition of ARB. The Developer shall, upon recording of this Declaration, immediately form a committee known as the "Architectural Review Board," herein referred to as "ARB," initially consisting of three (3) persons designated by the Developer. The ARB shall maintain this composition until control of the Association has been passed to the Owners other than the Developer. At such time the ARB shall be appointed by the Board of Directors of the Association and shall serve at the pleasure of the Board of Directors. The Board of Directors of the Association shall be obligated to appoint the Developer or his designated representative to such ARB for so long as the Developer owns any Lots in Palm Lake. So long as the Developer owns one or more Lots in the Subject Property, neither the Association, the Board of Directors of said Association, nor the Members of the Association, shall have the authority to amend or alter the number of members of the ARB which is herein set forth as three (3) members. A quorum of the ARB shall be two (2) members. No decision of the ARB shall be binding without a quorum present. A member of the Board of

Directors may also serve as a member of the ARB.

Section 11.3 Planning Criteria. The Developer, in order to give guidelines to Owners concerning construction and maintenance of Living Units, hereby promulgates the Architectural Review Board Planning Criteria ("Planning Criteria"), for the Subject Property a copy of which is attached hereto as Exhibit A. The Developer declares that the Subject Property shall be held, transferred, sold, conveyed and occupied subject to the Planning Criteria set forth on Exhibit A, as amended from time to time by the ARB. The ARB may disapprove construction and erection of improvements meeting the Planning Criteria if it finds approval would not be in the best interests of the Subject Property.

Section 11.4 Duties. The ARB shall have the following duties and powers:

(a) to amend from time to time the Planning Criteria, or to waive minor violations of the Planning Criteria, at the discretion of the ARB. Any amendments shall be set forth in writing and be made known to all Members and to all prospective Members of the Association. Any amendment shall include any and all matters considered appropriate by the ARB not inconsistent with the provisions of this Declaration;

(b) to approve or disapprove all building, fences, walls, pools, antennae, satellite dishes, solar heating devices or other structures which shall be commenced, erected or maintained upon the Subject Property and to approve or disapprove any exterior additions to or changes or alterations therein. Prior to the start of any construction, the ARB shall be furnished plans and specifications showing the nature, type, shape, height, materials, color and location of the same and shall approve or disapprove same, in writing, as to the harmony of the external design, colors and location in relation to surrounding structures and topography;

(c) to promulgate, modify and amend, from time to time, a list of Approved Builders, who shall be the only residential construction builders authorized to construct new residential units in Palm Lake.

Section 11.5 Procedure For Design Review. The Architectural Review Board shall develop, adopt, promulgate, publish and make available to all Owners and other who may be interested, either directly or through the Association, at a reasonable charge, and either included within or separate and apart from the Planning Criteria, reasonable and practical rules and regulations governing the submission of plans and specifications to the Architectural Review Board for its review and approval. Unless such rules and regulations are complied with in connection with the submission of plans and specifications requiring review and approval by the Architectural

Review Board, plans and specifications shall not be deemed to have been submitted to the Architectural Review Board. Additionally, the Architectural Review Board shall be entitled, in its discretion, to establish, determine, charge and assess a reasonable fee in connection with and for its review, consideration and approval of plans and specifications pursuant to this Article, taking into consideration actual costs and expenses incurred during the review process, including the fees of professional consultants, if any, to and members of the Architectural Review Board, as well as taking into account the costs and expenses associated with the development, formulation and publication of any Planning Criteria adopted by the ARB pursuant to Section 11.3 of this Declaration. The initial Architectural Review Fee shall be TWO HUNDRED AND NO/100 (\$200.00). However, such Architectural Review Fee may be increased or decreased by the Architectural Review Board from time to time.

In the absence of other rules, regulations and procedures, two (2) copies of the following materials, as appropriate, all drawn to scale, shall be submitted to the ARB, to wit:

(a) Preliminary and final architectural plans for all proposed buildings, structures and other Improvements proposed to be constructed or installed on a particular Lot.

(b) Floor plans, cross sections, and elevations of all sides of any proposed buildings, structures or any other Improvements proposed to be constructed on the Lots.

(c) Samples or representative samples of all materials proposed for use on exterior surfaces of all buildings, structures and any other Improvements, including colors and textures.

(d) An accurate artist's rendering of the proposed buildings, structures and improvements depicting the location of adjacent buildings, landscaping, screening, signs and other improvements.

(e) Appropriate specifications for all construction to be undertaken on the Lot.

(f) A grading, paving and drainage plan and a planting or landscaping plan, including and location of all screening walls and fences for analysis of adequacy of visual screening, erosion control and landscape architectural design, including a plan showing natural grades and natural growth prior to the commencement of any site work or other construction.

(g) A site plan showing the proposed location of all on-site utility lines, facilities and easements, septic tanks and

all driveways, walkways, etc. and the "foot print" of all other improvements to be located on the site.

(h) Any other information reasonably required by the Architectural Review Board in order to ensure compliance with the covenants, conditions, restrictions and other requirements contained in this Declaration or in the Planning Criteria promulgated pursuant hereto.

Section 11.6 Staged Review. The rules and regulations adopted by the Architectural Review Board pursuant to Section 11.5 of this Declaration may provide for its review and approval functions to be accomplished in three (3) stages; one being conceptual, one being preliminary and one being final. Conceptual review and approval shall be for conceptual and initial design development purposes only in order to avoid unnecessary time and expense associated with the preparation of preliminary or final plans and specifications in connection with the exploration and consideration of the potential acceptability of formative or initial concepts and designs. Any such review and approval of formative or initial concepts or designs by the ARB shall only be advisory in nature and shall not be binding upon the ARB in connection with its review and ultimate approval or disapproval of the preliminary and final plans and specifications submitted to it as provided in this Declaration.

Section 11.7 Time Limitation on Review. The ARB shall either approve or disapprove any plans, specifications or other materials submitted to it within thirty (30) days after the same have been duly submitted in accordance with any rules and regulations regarding such submission as shall have been adopted by the Architectural Review Board. The failure of the ARB to either approve or disapprove the same within such thirty (30) day period shall be deemed to be and constitute an approval of such plans, specifications and other materials; subject, however, at all times to the covenants, conditions, restrictions and other requirements contained in this Declaration and also subject to the provisions of the Planning Criteria.

Section 11.8 Duration of Approval. Any approval of plans, specifications and other materials, whether by the Architectural Review Board, or by the Developer or the Board of Directors of the Association following appeal, shall be effective for a period of one (1) year from the effective date of such approval. If construction of installation of the building, structure or other Improvement for which plans, specifications and other materials have been approved, has not commenced within said one (1) year period, such approval shall expire, and no construction shall thereafter commence without a resubmission and approval of the plans, specifications and other materials previously approved. the prior approval shall not be binding upon the Architectural Review Board on resubmission in any respect.

Section 11.9 Inspection of Construction. Any member of the Architectural Review Board or any officer, director, employee or agent of the Developer or Association may, but shall not be obligated to, at any reasonable time enter upon, without being deemed guilty of trespass, any Lot and any building structure or other Improvement located thereon, in order to inspect any building, structure or other Improvement constructed, erected or installed or then being constructed, erected or installed thereon in order to ascertain and determine whether or not any such building, structure or other Improvement has been or is being constructed, erected, made, placed or installed in compliance with this Declaration and the plans, specifications and other materials approved by the Architectural Review Board.

Section 11.10 Evidence of Compliance. Upon a request therefor from, and at the expense of, any Owner upon whose Lot the construction, erection, placement or installation of any building, structure or other Improvement has been completed or is in the process, the Architectural Review Board shall cause an inspection of such Lot and the Improvements then located thereon to be undertaken within thirty (30) days, and if such inspection reveals that the buildings, structures or other Improvements located on such Lot are in compliance with plans, specifications and other materials approved by the Architectural Review Board, the Architectural Review Board shall direct the Association through its President, Secretary or other officer of the Association thereunto duly authorized, upon the payment by the requesting owner of a reasonable fee approximating the actual costs associated with such inspection written statement of such compliance shall be conclusive evidence of compliance of the inspected Improvements with the provisions of this Article XI as of the date of such inspection.

Section 11.11 Interior Alterations Exempt. Nothing contained in this Article XI shall be construed so as to require the submission to or approval of the ARB of any plans, specifications or other materials for the reconstruction or alteration of the interior of any building, structure or other Improvement constructed on Lots after having been previously approved by the ARB, unless any proposed interior construction or alteration will have the effect of changing or altering the exterior appearance of such building, structure or other Improvements.

Section 11.12 Developer Exempt. the Developer shall be exempt from compliance with the provisions of this Article XI.

Section 11.13 Exculpation for Approval or Disapproval of Plans. The Developer, any and all members of 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 or whatsoever by reason or on account of any decision, approval or disapproval of any plans, specifications or other materials required to be submitted for review and approval pursuant to the provisions of this Article XI, or for any mistake in judgment, negligence, misfeasance or nonfeasance related to or in connection with any such decision, approval or disapproval. Each person who shall submit plans, specifications or other materials to the ARB for consent or approval pursuant to the provisions of this Article XI, by the submission thereof, and each Owner by acquiring title to any Lot or any interest therein, shall be deemed to have agreed that he or it shall not be entitled to and shall not bring any action, proceeding or suit against the Developer, the ARB, the Association nor any individual member, officer, director, employee or agent of any of them for the purpose of recovering any such damages or other relief on account of any such decision, approval or disapproval. Additionally, plans, specifications and other materials submitted to and approved by the ARB, or by Developer or Board of Directors of the Association on appeal, shall be reviewed and approved only as to their compliance with the provisions of this Declaration and their acceptability of design, style, materials, appearance and location in light of the standards for review and approval specified in this Declaration and the Planning Criteria, and shall not be reviewed or approved for their compliance with any applicable governmental regulations, including, without limitation, any applicable building or zoning laws, ordinances, specifications or materials, neither the Developer, the ARB, the Association, nor any individual member, officer, director, employee or agent of any of them, shall have assume or incur any liability or responsibility whatsoever for any violation of governmental regulations or any defect in the design or construction of any building, structure or other Improvement, constructed, erected, placed or installed pursuant to or in accordance with any such plans, specifications or other materials approved pursuant to this Article XI.

ARTICLE XII AMENDMENT

Section 12.1 Amendment By Developer. The Developer reserves and shall have the sole right (a) to amend these covenants and restrictions for the purpose of curing any ambiguity in or any inconsistency between the provisions contained herein, (b) to include in any contract or deed or other instrument hereafter made any additional covenants and waive restrictions which have been violated (including, without limiting the foregoing, violations of building restriction lines and provisions hereof relating thereto), if the Developer, in its sole judgment, determines such violation to be an insubstantial violation.

Section 12.2 Amendment By Association. Except as to provisions relating to amendments as set forth herein regarding certain specific items and the method of amending or altering same, which is set forth in connection with such particular item, any other provisions, covenants, or restrictions set forth herein may be amended in accordance with this provision. The Members entitled to vote seventy-five percent (75%) of the total votes under Article X may change or amend any provision hereof, except as above mentioned, in whole or in part, by executing a written instrument in recordable form setting forth such amendment and having the same duly recorded in the Public Records of Orange County, Florida. A proposed amendment may be initiated by the Developer, the ARB, the Association, or by petition signed by fifteen percent (15%) of the then Owners of Lots. A written copy of the proposed amendment shall be furnished to each Owner at least sixty (60) days but not more than one hundred twenty (120) days prior to a designated meeting to discuss such particular amendment. Said notification shall contain the time and place of said meeting. The recorded amendment shall contain a recitation that sufficient notice was given as above set forth and said recitation shall be conclusive as to all parties and all parties of any nature whatsoever shall have full right to rely upon said recitation in such recorded amendment.

ARTICLE XIII DURATION

The covenants, restrictions and provisions of this Declaration shall run with and bind the Subject Property and shall inure to the benefit of the Owners, the Developer, and their respective legal representatives, heirs, successors and assigns until amended, modified or terminated according to the terms of Article XII hereinabove set forth. These covenants, provisions and restrictions may be terminated in the same manner set forth for amendments in Article XII.

ARTICLE XIV ENFORCEABILITY

Section 14.1 Enforcement. If any person, firm or corporation, or other entity shall violate or attempt to violate any of these covenants or restrictions, it shall be lawful for the Developer, and individual Owner, or the Association (a) to prosecute proceedings for the recovery of damages against those so violating or attempting to violate any such covenants or restrictions, or (b) to maintain a proceeding in any court of competent jurisdiction against those so violating or attempting to violate any such covenants or restrictions, for the purpose of preventing or enjoining all or any such violations or attempted violations. Should the Developer or an individual Owner be required to enforce the provisions hereof by legal action, the reasonable attorneys, fees and costs incurred, whether or not

judicial proceedings are involved, including the attorneys fees and costs incurred on appeal of such judicial proceedings, shall be collectible from the party against which enforcement is sought. The remedies contained in this provision shall be construed as cumulative of all other remedies now or hereafter provided by law. The failure of the Developer, its successors or assigns or any individual Owner to enforce any covenant or restriction or any obligation, right, power, privilege, authority or reservation herein contained, however long continued, shall in no event be deemed a waiver of the right to enforce the same thereafter as to the same breach or violation, or as to any other breach or violation thereof occurring prior or subsequent thereto.

Section 14.2 Attorneys' Fees. In the event that legal or equitable proceedings are instituted or brought to enforce any of the provisions set forth in this Declaration, as changed, amended and modified from time to time, or to enjoin any violation or attempted violation or default or attempted default of the same, the prevailing party in such proceeding shall be entitled to recover, from the losing party such reasonable attorneys' fees and court costs as may be awarded by the Court rendering judgment in such proceedings.

Section 14.3 Notices. Any notice required to be sent to any Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postage prepaid, to the last known address of the person who appears as Member or Owner on the record, of the Association at the time of such mailing.

Section 14.4 Exculpation. The Developer, the Association, the Architectural Review Board, and the individual members, officers, directors, employees or agents of any of them, shall not, jointly or severally, be liable or accountable in damages or otherwise to any Owner or other party affected by this Declaration, or to anyone submitting plans or other materials for any required consent or approval hereunder, by reason or on account of any decision, approval or disapproval required to be made, given or obtained pursuant to the provisions of this Declaration, or for any mistake in judgment, negligence or nonfeasance related to or in connection with any such decision, approval or disapproval. Each person who shall submit plans or other materials for consent or approval pursuant to this Declaration, by the submission thereof, and each Owner of any Lot, by acquiring title thereto or an interest therein, shall be deemed to have agreed that he or it shall not be entitled to bring and shall not bring any action, proceeding or suit against the Developer, the Association, the Architectural Review Board, or any individual member of members or officer or officers, director or directors, employee or employees or agent or agents of any of them for the purpose of recovering any such damages or

other relief on account of any such decision, approval or disapproval.

ARTICLE XV
INITIAL FUNDING OF ASSOCIATION

The Developer will make a cash donation of ONE THOUSAND DOLLARS (\$1,000.00) to the Association to cover operational expenses for the purposes of promoting the recreation, health, safety and welfare of the Members of the Association.

ARTICLE XVI
MISCELLANEOUS PROVISIONS

Section 16.1 Constructive Notice and Acceptance. Every person, corporation, partnership, limited partnership, trust, association or other legal entity, who or which shall hereafter have, claim, own or acquire any right, title, interest or estate in or to any portion of the Subject Property, whether or not such interest is reflected upon the Public Records of Orange County, Florida, shall be conclusively deemed to have consented and agreed to each and every term, provisions, covenant, condition, restriction, easement and reservation contained or by reference incorporated in this Declaration (including those matters set forth in the Planning Criteria), whether or not any reference to this Declaration is contained in the document or instrument pursuant to which such person, corporation, partnership, limited partnership, trust, association or other legal entity shall have acquired such right, title, interest or estate in the Subject Property or any portion hereof.

Section 16.2 Personal Covenants. To the extent that the acceptance or conveyance of a Lot creates a personal covenant between the Owner of such Lot and the Developer, the Association of any other Owner or Owners, such personal covenant shall terminate and be of no further force or effect from or after the date when a person or entity ceases to be an Owner, except to the extent that this Declaration may provide otherwise with respect to the personal obligation of such Owner for the payment of Assessments for which provision is expressly made in this Declaration.

Section 16.3 Governing Law. This Declaration and the interpretation and enforcement of the same shall be governed by and construed in accordance with the laws of the State of Florida.

Section 16.4 Construction. The provisions of this Declaration shall be liberally construed so as to effectuate and carry out the objects and purposes specified in Article II of this Declaration.

Section 16.5 Article and Section Headings. Article and Section headings contained in the Declaration are for convenience and reference only and in no way define, describe, extend or limit the intent, scope or content of the particular Articles or Sections in which they are contained or to which they refer and, accordingly, the same shall not be considered or referred to in resolving questions of interpretation or construction.

Section 16.6 Singular Includes Plural, Etc. Whenever the context of this Declaration requires the same, the singular shall include the plural and the plural the singular and the masculine shall include the feminine and the neuter.

Section 16.7 Time of Essence. Time is of the essence of this Declaration and in the performance of all covenants, conditions and restrictions set forth herein. Whenever a date or the expiration of any time period specified herein shall fall on a Saturday, Sunday or legal holiday, the date shall be extended to the next succeeding business day which is not a Saturday, Sunday or legal holiday.

Section 16.8 Notice. Any notice required or permitted to be given pursuant to the provisions of this Declaration shall be in writing and may be delivered as follows:

(a) Notice to an Owner shall be deemed to have been properly delivered when delivered to the Owner's Lot, whether said Owner personally receives said notice or not, or placed in the first class United States mail, postage prepaid, to the most recent address furnished by such Owner in writing to the Association for the purpose of giving notice, or if no such address shall have been furnished, then to the street address of such Owner's Lot. Any notice so deposited in the mail within Orange County, Florida, shall be deemed delivered forty-eight (48) hours after such deposit. In the case of co-owners any such notice may be delivered or sent to any one of the co-owners, on behalf of all co-owners and shall be deemed to be and constitute delivery on all such co-owners.

(b) Notice to the Association shall be deemed to have been properly delivered when placed in the first class United States mail, postage prepaid, to the address furnished by the Association or to the address of its principal place of business.

(c) Notice to the Developer shall be deemed to have been properly delivered when placed in the first class United States mail, postage prepaid, to the address furnished by the Developer to the Association or the address of its principal place of business.

(d) The affidavit of an officer or authorized agent of the Association declaring under penalty of perjury that a notice has been mailed to any Owner or Owners to the address or addresses shown on the records of the Association, shall be deemed conclusive proof of such mailing, whether or not such notices are actually received.

Section 16.9 Development and Construction by Developer. Nothing set forth in this Declaration shall be deemed, either expressly or impliedly, to limit the right of the Developer to change, alter or amend its development plan or plans for the Subject Property, or to construct such improvements as the Developer deems advisable prior to the completion of the development of all of the Subject Property. Developer reserves the right to alter its development and construction plans and designs as it deems appropriate from time to time; subject, however, to all applicable governmental regulations, including, without limitation, those of Orange County.

Section 16.10 Assignment of Developer's Rights and Interests. The rights and interests of the Developer under this Declaration may be transferred and assigned by the Developer to any successor or successors to all or part of the Developer's interest in the Subject Property by an express transfer, conveyance or assignment incorporated into any recorded deed or other instrument, as the case may be, transferring, conveying or assigning such rights and interests to such successor.

Section 16.11 No Warranties. This Declaration is made for the objects and purposes set forth in Article II of this Declaration and the Developer makes no warranties or representations, express or implied as to the binding effect or enforceability of all or any portion of the terms and provisions of or the covenants, conditions, restrictions, easements and reservations set forth in this Declaration, or as to the compliance of any of the same with public laws, ordinances and regulations applicable thereto. The invalidation of any provision or provisions or the covenants and restrictions set forth herein by judgment or court order shall not affect or modify any of the other provisions of said covenants and restrictions which shall remain in full force and effect.

Section 16.12 Notice to Potential Purchasers. All contracts for the sale of Lots in Palm Lake whether by Developer, Approved Builders, Owners or any other holder of title to a Lot, sales and resales, shall incorporate the following disclosure:

Notice of Private Road Assessments and Reserve Account.
"Prospective purchasers of Lots within Palm Lake are hereby notified that the private roads, existing and to be constructed, in Palm Lake must be maintained, resurfaced and repaired by the Association as more particularly described

in the Declaration of Covenants, Conditions, Restrictions, Easements and Reservations for Palm Lake as recorded in Official Records Book 4822, Page 1381, Public Record of Orange County, Florida (the "Declaration"). All Owners of Lots in Palm Lake must pay assessments to be imposed by an Association of Lot Owners as provided in the Declaration. The assessments will, in part, be placed into a separate reserve account, in order to create a reserve sufficient to repave all roads in Palm Lake every ten (10) years, but no more than \$81,900.00 shall be retained in the reserve account. The Association shall annually have the private roads inspected by a registered engineer and shall repair any deficiencies noted by such engineer using the reserve funds. This notice shall be included in each sale contract and/or resale contract relating to the sale or resale of a lot in Palm Lake, as appropriate.

IN WITNESS WHEREOF, the Developer, PAUL CURTIS REALTY, INC., has caused this instrument to be executed by its duly authorized officer and its corporate seal to be hereunto affixed all as of the day and year first above written.

Signed, Sealed and Delivered
in the Presence of:

Mark G. Edwards
Print Name: MARK G. EDWARDS

Cindy L. Staten
Print Name: CINDY L. STATEN

PAUL CURTIS REALTY, INC.

By: *Paul L. Curtis*
Paul L. Curtis, President

425 W. COLONIAL DR.
SUITE 201
ORLANDO, FL. 32804

STATE OF FLORIDA

COUNTY OF ORANGE

The foregoing instrument was acknowledged before me this 12th day of October, 1994, by PAUL L. CURTIS, as President of PAUL CURTIS REALTY, INC., a Florida corporation, on behalf of the corporation. Said person (check one) ☒ is personally known to me, ☐ produced a driver's license (issued by a state of the United States within the last five (5) years) as identification, or ☐ produced other identification, to wit:



OFFICIAL SEAL
CINDY L. STATEN
My Commission Expires
Dec. 25, 1996
Comm. No. CC 245256

Cindy L. Staten
Print Name: CINDY L. STATEN
Notary Public, State of Florida
Commission No.: CC 245256
My Commission Expires: 12/25/96

JOINDER OF MORTGAGEE

SOUTHTRUST BANK OF ORLANDO, a national banking association, being the owner and holder of that certain Mortgage and Security Agreement executed by Paul L. Curtis, president of PAUL CURTIS REALTY, INC., as Mortgagor, to and in favor of SOUTHTRUST BANK OF ORLANDO, as Mortgagee, dated September 21, 1994 and recorded on September 22, 1994 in Official Records Book 4799 at Pages 762 of the Public Records of Orange County, Florida (the "Mortgage"), hereby joins in the execution of the within and foregoing Declaration of Covenants, Conditions, Restrictions, Easements and Reservations of Palm Lake (the "Declaration") for the express purpose of manifesting its agreement with and consent to the recordation of the Declaration and for the further purpose of subordinating, and it does hereby subordinate, the lien and encumbrance of the aforesaid Mortgage to each and every one of the covenants, conditions, restrictions, easements and reservations set forth in the Declaration.

IN WITNESS WHEREOF, the said SOUTHTRUST BANK OF ORLANDO has caused these presents to be executed by its undersigned officers thereunto duly authorized on this 12 day of OCT, 1994.

Signed, Sealed and Delivered
in the Presence of:

SOUTHTRUST BANK OF ORLANDO

Sarah L. Curtis
Print Name: SARAH L. CURTIS

By: John A. Jenssch
John A. Jenssch,
its, Vice President

Cindy L. Staten
Print Name: CINDY L. STATEN

STATE OF FLORIDA

COUNTY OF ORANGE

The foregoing instrument was acknowledged before me this 12th day of October, 1994, by JOHN A. JENSCH, its Vice President, of SOUTHTRUST BANK OF ORLANDO, a national banking association, on behalf of the association. Said person (check one) ☒ is personally known to me, ☐ produced a driver's license (issued by a state of the United States within the last five (5) years) as identification, or ☐ produced other identification, to wit:



OFFICIAL SEAL
CINDY L. STATEN
My Commission Expires
Dec. 25, 1996
Comm. No. CC 245256

Cindy L. Staten
Print Name: CINDY L. STATEN
Notary Public, State of Florida
Commission No.: CC 245256
My Commission Expires: 12/25/96

EXHIBIT "A"
PLANNING CRITERIA

1. Building Type and Location. No building shall be erected, altered, placed, or permitted to remain on any Lot other than one detached single family dwelling not to exceed 35 feet in height (single story as to Lots 5, 6, and 7), with a minimum of 3,000 square feet of air conditioned and heated living area, exclusive of open porches and garages, a private and closed garage for not less than three cars, and storage room or tool room attached to the ground floor of such garage. The minimum square footage may be increased or decreased by the ARB by amending the ARB Planning Criteria. Unless approved by the ARB as to use, location and architectural design, no structure may be constructed separate and apart from the Living Unit, nor can any of the aforementioned structures be constructed prior to the Living Unit. Approval for the location of any Living Unit on a Lot must be obtained from the ARB prior to the laying of a foundation for the Living Unit. In approving such Living Unit location, the ARB will consider a location of a Living Unit on the Lot which disturbs the least number of trees and positions the Living Unit on the Lot to its greatest aesthetic advantage.

The exterior color plan for each Living Unit must be submitted to and approved by the ARB prior to commencement of construction, such plan to include the color of the roof, exterior walls, shutters, screens, trim, and other items specified by the ARB.

2. Roofs. Flat roofs shall not be permitted unless approved by the ARB. Such areas where flat roofs may be permitted are Florida rooms, porches and patios. The ARB shall have discretion to approve such roofs on part of the main body of a Living Unit, particularly if modern or contemporary in design. No built up roofs shall be permitted except on approved surfaces.

The composition of all pitched roofs shall be cedar shake shingle, slate or concrete construction, tile or other composition approved by the ARB. All pitched roofs must have at least 7/12 slope, unless otherwise approved by the ARB.

3. Garages. In addition to the requirements stated in paragraph 1, all garages must have a minimum width sufficient to enclose three standard size automobiles. All garages must have one or more overhead doors. No carports will be permitted unless approved by the ARB.

4. Driveway Construction. All Living Units shall have a paved driveway of stable and permanent construction of at least sixteen (16) feet in width at the entrance to the garage. Unless prior approval is obtained from the ARB, all driveways must be constructed of concrete. When curbs are required to be broken

for driveway entrances, the curb shall be repaired in a neat and orderly fashion and in such a way to be acceptable to the ARB.

5. Dwelling Quality. The ARB shall have final approval of all exterior building materials. Eight inch struck joint concrete block shall not be permitted on the exterior of any house or detached structure. The ARB shall discourage the use of imitation brick or stone for front or side material and encourage the use of front or side materials such as brick, stone, wood and stucco, or a combination of the foregoing on all elevations.

6. Signage. No sign of any kind shall be displayed to the public view on any Lot unless approved by the ARB, and then only for the purposes of advertising the house and Lot for sale or lease during and after the construction of the Living Unit.

7. Games and Play Structures. If approved by the ARB, treehouses, platforms, basketball backboards and any other fixed games and play structures shall be located only on the part of the Lot approved by the ARB.

8. Fences and Walls. No fences shall be permitted without the approval of the ARB. Composition, finish, color, location and height of fences and walls must be approved by the ARB prior to installation. Height of such fences and walls must be approved by the ARB. Fences shall not be forward of the rear building line nor in the side setback area adjacent to streets unless approved in advance by the ARB.

9. Landscaping. Each lot must be fully landscaped in accordance with ARB approval. Existing trees may not be removed without the prior approval of the ARB.

10. Swimming Pools. Any swimming pool to be constructed on any Lot shall be subject to requirements of the ARB.

11. Garbage and Trash Disposal. No Lot shall be used or maintained as a dumping ground for rubbish, trash or other waste. All trash, garbage and other waste shall be kept in sanitary containers and, except during pickup, if required to be placed at the curb, all containers shall be kept within an enclosure which the ARB shall require to be constructed with each Living Unit. The enclosure shall be located out of sight from the front or side streets. There shall be no burning of trash or any other waste material.

12. Temporary Structures. No structure of a temporary character, trailer, basement, tent, shack, garage, barn, or other out building shall be used on any Lot at any time as a residence either temporarily or permanently.

13. Clotheslines. Clotheslines shall be permitted only

upon approval of the ARB.

14. Removal of Trees. In reviewing the building plans, the ARB shall take into account the natural landscaping such as trees, shrubs, palmettos, and encourage the builder to incorporate them in his landscaping plan. No trees can be cut or removed without approval of the ARB, which approval may be given when such removal is necessary for the construction or landscaping of a Living Unit.

15. Window Air Conditioning Units. No window air conditioning units shall be permitted.

16. Irrigation; Sod. All lots shall be fully sodded and automatically irrigated except in wooded areas. St. Augustine sod or like is preferred. All lands forming portions of a private right-of-way between the boundary of a Lot and the pavement installed within the right-of-way shall be sodded by the adjacent and abutting Lot Owner and maintained by him as a portion of his lawn.

17. Commercial Communication Equipment Prohibited. Use of communication equipment for commercial purposes is prohibited.

18. Exterior Antennae and Solar Collectors. No exterior antennae for radio, television or other communication, no satellite or dish antenna, no solar collectors may be erected without approval by ARB. These uses are discouraged and only permitted by the ARB, in its sole determination.

19. Exterior Light Fixtures. No exterior lighting fixtures shall be installed on any Lot or Living Unit without adequate and proper shielding of fixture. No lighting fixture shall be installed which may be or become an annoyance or a nuisance to the residents of adjacent Living Units.

20. Vehicles and Repairs. The parking of any unsightly vehicles as determined from time to time by the ARB, or commercial vehicles, (not including pickup trucks of 1/2 ton size or smaller) and which description shall include but not be limited to trucks, truck-tractors, semi-trailers and commercial trailers, as well as the parking of any travel or recreation trailers, whether self propelled or those towed, as well as any mobile homes, at any time on driveways or otherwise on any Lot or on the public streets of the Subject Property, is prohibited except for loading or unloading purposes. The parking of vehicles, except on driveways or in closed garages is prohibited. Except where stored in a closed garage or upon a Lot under such terms and conditions as the ARB, in its absolute discretion, may approve in advance on a case by case basis, no boats or boat trailers may be parked on driveways or otherwise on any Lot or on the public streets of the Subject Property. It is acknowledged

and agreed by all Owners by purchasing said Lot that a violation of any of the provisions of this paragraph shall impose irreparable harm and damages to the other Owners. Said Owners further agree that a reasonable assessment of such damages would be \$100.00 for each day that such violation occurs after notification in writing to the violator by either the Developer or a duly elected representative of the Association.

21. Easements. Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded plat, or as heretofore granted by the Developer. Within these easements, no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may change the direction of flow of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easements, or which are or might be prohibited by the public authority to whom said easement is given. The easement area of each Lot and all improvements in it shall be maintained continuously by the Owner of the Lot, except for those improvements for which a public authority or utility company is responsible.

22. Air Conditioning Units. No air conditioning units shall be placed on the front of any Living unit. If air conditioning units are located in the side yard on a corner Lot, it shall be screened from view with materials and design approved by the ARB.

23. Chimneys. Any exposed portion of chimney visible from outside of the Living Unit shall be constructed solely of brick, stone, stucco, wood or other material approved in advance in writing by the ARB.

24. Sight Distance at Intersections. No fence, wall, hedge or shrub planting which obstructs sight lines and elevations between two and six feet above the roadways shall be placed or permitted to remain on any corner Lot within the triangular area formed by the street property lines and a line connecting them at points 25 feet from the intersection of the street lines, or in case of a rounded property corner from the intersection of lot lines extended. The same sight line limitations shall apply on any Lot within ten feet from the intersection of a street property line with the edge of a driveway or alley pavement. No trees shall be permitted to remain within such distances of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines.

25. Utility Connections. All house connections for all utilities, including but not limited to, water, sewerage, electricity, gas, telephone and television shall be run underground from the proper connecting points to the dwelling

structure in such manner to be acceptable to the governing utility authority. All fuel storage tanks shall be located underground or completely screened from view with material approved by the ARB.

26. Trade or Business or Obnoxious Activities. No trade or business, commercial, industrial, or obnoxious or offensive activity shall be carried on upon any Lot or Living Unit nor shall anything be done thereon which may be or may become an annoyance to the neighborhood; provided, however, the Developer may maintain a Sales Office until all Lots are sold.

27. Written Approval. ARB approval or disapproval as required by this Planning Criteria shall be in writing. If the ARB disapproves the project within 30 days after the plans and specifications are submitted, the project shall not be commenced. If the ARB approves the project or fails to disapprove the project within 30 days after the plans and specifications are submitted, the project may be built.

28. Enforcement. The commencement of construction, alteration, or modification of any structure or other improvement of whatever nature, without limitation, without first submitting plans and specifications to and obtaining the written approval of the ARB and otherwise complying with the provisions of the Declaration (including the ARB Planning Criteria), shall be a violation thereof. Upon delivery of written notice of violation to the person so violating the Declaration by the Developer, the Association, the ARB or the Owner of any Lot, the person so violating the Declaration shall within 30 days after delivery of such written notice, remove the said structure or other improvement from the Properties and cause the Lot to be restored to the condition in which it existed immediately prior to the unauthorized commencement of construction, alteration or modification. If such unauthorized improvement is not removed within such 30 day period, the Developer, or the Association, or the ARB or the Owner of any Lot shall have the right to enforce the provisions hereof.

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EXHIBIT "B"

OR Bk 4822 Pg 1429
Orange Co FL 5065998

Legal Description

Lots 5, 6, 7 & 8, Block "A", "PALM LAKE MANOR", according to the plat thereof, as recorded in Plat Book "T", Page 29, Public Records of Orange County, Florida, being more particularly described as follows:

BEGIN at the northeast corner of said Lot 8, Block "A"; thence run S 00°37'20" E, along the easterly line thereof, 629.46 feet to a point on the north right-of-way line of Palm Lake Drive; thence run S 89°26'38" W, along the north right-of-way line thereof, 1319.90 feet to a point on the west line of said Lot 5, Block "A"; thence run N 00°40'17" W, along the west line thereof, 629.46 feet to a point on the north line of said Block "A", "PALM LAKE MANOR"; thence run N 89°26'38" E, along the north line thereof, 1320.44 feet to the POINT OF BEGINNING.

Containing 19.08 acres, more or less.

Record Verified - Martha O. Haynie