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**DECLARATION OF COVENANTS AND RESTRICTIONS
FOR
WATERSIDE SUBDIVISION**

This DECLARATION OF COVENANTS AND RESTRICTIONS ("Declaration"), made and entered into this the 4TH day of September, 2001, by D.R. HORTON, INC., a Delaware corporation, hereinafter referred to as "Declarant", 6250 Hazeltine National Drive, Ste. 102, Orlando, Florida 32822.

WHEREAS, Declarant is the owner of certain real property in the County of Orange, State of Florida, which is known as WATERSIDE SUBDIVISION, which is more particularly described as follows, to-wit:

See Exhibit "A" attached hereto.

WHEREAS, the Declarant desires to develop the real property described above by creating thereon predominantly a residential community of single-family homes, Common Area, as hereafter defined, to include Conservation areas, and other common facilities for the benefit of said community; and

WHEREAS, the Declarant desires to provide for the preservation of the values and amenities of such real property, and for the maintenance of such Common Area and to this end, desires to subject the properties to the covenants, restrictions, easements, and conditions hereinafter set forth, each and all of which is and are for the benefit of such real property as hereinafter defined, and each subsequent owner of any part thereof;

WHEREAS, the Declarant has deemed it desirable, for the efficient preservation of the values and amenities in the Subdivision, as hereinafter defined, to create an agency to which should be delegated and assigned the powers of maintaining and administering the common facilities and areas, and administering and enforcing the covenants and restrictions contained in this Declaration, and collecting and disbursing the assessments and charges hereinafter created; and

WHEREAS, the Declarant has or will incorporate under the laws of the State of Florida, as a non-profit corporation, WATERSIDE HOMEOWNERS ASSOCIATION OF ORANGE COUNTY, INC., the purpose of which will be to exercise the aforesaid functions.



NOW, THEREFORE, Declarant hereby declares that the Subdivision shall be held, sold and conveyed subject to the following covenants, restrictions, easements, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the Subdivision and being binding on all parties having any right, title or interest in the Subdivision or any part thereof, their heirs, successors, and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I DEFINITIONS

Section 1. “Association” shall mean and refer to Waterside Homeowners Association of Orange County, Inc., a Florida corporation not for profit, which is (or is to be) incorporated, its successors and assigns. Attached hereto and made a part hereof by this reference as Exhibits “C” and “D” is a copy of the Articles of Incorporation and By-Laws, respectively, for the Association.

Section 2. “Common Area” shall mean all real property (including the improvements thereto) owned by the Association, if any, for the common use and enjoyment of the Owners. The Common Area to be owned by the Association at the time of the conveyance of the first Lot includes those common areas depicted upon the Plat.

Section 3. “County” shall mean and refer to Orange County, Florida, as governed through its Board of County Commissioners. To the extent that any portion or all of the Subdivision shall be annexed into a municipality, the term “County” as applied to lands within said annexing municipality shall refer to the annexing municipality.

Section 4. “Declarant” and “Developer” shall mean and refer to D.R. Horton, Inc. a Delaware corporation, its successors and such of its assigns as to which the rights of Declarant/Developer hereunder are specifically assigned, if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development. Declarant/Developer may assign only a portion of its rights hereunder, or all or a portion of such rights in connection with appropriate portions of the Subdivision. In the event of such a partial assignment, the assignee shall not be deemed the Developer, but may exercise such rights of Developer specifically assigned to it. Any such assignment may be made on a non-exclusive basis.

Section 5. “Declaration” shall mean and refer to this instrument, the Declaration of Covenants and Restrictions for Waterside subdivision, all as amended from time to time.

Section 6. “FHA” shall mean and refer to the Federal Housing Administration, an agency of the government of the United States of America.



Section 7. “Lot” shall mean and refer to any numbered swelling Unit site or plot of land shown on the recorded Plat, with the exception of the Common Area. The word Lot shall include both the Platted sit or plot of land, and the Unit located thereon when same has been constructed.

Section 8. “Member” shall mean and refer to a member of the Association, that is, an Owner of a Lot which is subject to assessment by the Association.

Section 9. “Operation,” “Operate” or “Operated” when used in conjunction with the Stormwater Management System means and refers to the repair, paining, management, improvement, inspection, maintenance, deactivation, construction, renovation, operation, insurance, and replacement of, as well as the disconnection from or connection to, the Stormwater Management System.

Section 10. “Owner” shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Subdivision, but excluding those having such interest merely as a security for the performance of an obligation.

Section 11. “Plans” means and refers to drainage and Stormwater management plans, together with any attachments thereto and drainage calculations, for the Subdivision on file with the County or the water management district, if any.

Section 12. “Plat” shall mean and refer to the plat of Waterside Subdivision, as recorded in the Public Records of Orange County, Florida.

Section 13. “Surface Water or Stormwater Management System” means a system which is designed and constructed or implemented to control discharges which are necessitated by rainfall events, incorporating methods to collect, convey, store, absorb, inhibit, treat, use or reuse water to prevent or reduce flooding, overdrainage, environmental degradation, and water pollution or otherwise affect the quality of discharges from the system, as permitted pursuant to chapters 40c-4, 40C-40, or 40C-42, F.A.C.

Section 14. “Subdivision” shall mean and refer to that all real property depicted upon the Plat as shown thereon, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 15. “Unit” shall mean and refer to the individual residence constructed on a Lot.

Section 16. “VA” shall mean and refer to the Veterans’ Administration, an agency of the government of the United States of America.

Section 17. “Conservation Area” shall mean and refer to those areas identified as “Conservation”, Conservation Areas”, or “Conservation Easement”, as depicted on the Plat.

ARTICLE II
PROPERTY SUBJECT TO THIS DECLARATION

Section 1. Property Subject to this Declaration. The property described in Exhibit "B" is and shall be improved, transferred and occupied subject to this Declaration.

Section 2. Additional Property. Declarant shall have the right, but not the obligation, to bring within the scheme of this Declaration, as additional property, additional lands described within Exhibit "A" or any other property within the vicinity of the property subject to this Declaration, at any time within ten years from the date this Declaration is recorded, without the consent of the members of the Association or any mortgagee or other lienholder on any lot, so long as Developer is a Class B member of the Association, and provided that the Federal Housing Administration and Veterans Administration consent to such annexation, if required. Notwithstanding the foregoing, in no event shall any additional property be subject to this Declaration until such property is specifically incorporated into the scheme of this development as provided in Section 3 below. In the event additional phases of the development may become common property, said common property will, at that time, be owned and maintained by the Association.

Section 3. Method of Annexation. Additions authorized under this Article shall be made by recording a supplemental Declaration, extending the scheme of this Declaration, which shall state that it is being made pursuant to the terms of this Declaration for the purpose of annexing property to the scheme of this Declaration and extending the jurisdiction of the Association to the additional property. Said supplemental Declaration may contain such terms and provisions not inconsistent with this Declaration, as may be desirable to reflect the different character, if any, of the real property being annexed or the various housing or community style characteristics and development approaches being implemented. Upon the recording of any supplemental Declaration, the owners shall also have the right and non-exclusive easement to the use and enjoyment in and to the common properties, if any, and an obligation to contribute to the cost of operating, maintaining and insuring the additional common properties. Any supplemental Declaration recorded in accordance with the terms hereof shall be conclusive in favor of all persons who rely thereon in good faith. From and after recording of any supplemental Declaration, the additional property described herein shall be subject to the provisions of this Declaration and to the jurisdiction of the Association.

ARTICLE III
PROPERTY RIGHTS

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

a. The right of the Association to charge reasonable admission and other fees for the use of any recreational or stormwater management facility situated upon the Common Area;



b. The right of the Association to levy assessments against each Lot for the purpose of maintaining the Common Area in accordance with the restrictions on the recorded Plat and this Declaration;

c. if and as permitted by applicable Florida law, the right of the Association to suspend the voting rights and right to use of any recreational facility by an Owner for any period during which any assessment against his lot remains unpaid, and for a period not to exceed sixty (60) days for any infraction of its published Rules and Regulations;

d. the right of the Association to dedicate or transfer, subject to this Declaration, all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members; and

e. the right of the Association to adopt at any time and from time to time and enforce Rules and Regulations, including the right to fine members as hereinafter provided. Any rule and/or regulation so adopted shall apply until rescinded or modified as if originally set forth at length in this Declaration.

Section 2. Delegation of Use. Any Owner may delegate, in accordance with the Bylaws, Owner's right of enjoyment to the Common Area and facilities to the members of Owner's family, Owner's authorized tenants, or contract purchasers who reside on the property.

Section 3. Construction and Sales. There is hereby reserved to the Declarant, its designees, and such of its successors and assigns who have been expressly assigned the rights set forth in this section, including, without limitation, its sales agents and representatives, and prospective purchasers of Lots, easements over the Common Area for construction, utility lines, display, maintenance and exhibit purposes in connection with the erection of improvements and sale of Lots within the Subdivision; provided, however, that such use shall terminate upon the sale of all Lots; provided further, that no such use by the Declarant and others shall otherwise restrict the Owners in the reasonable use and enjoyment of the Common Area.

Section 4. Utility Easements. Use of the Common Area, excluding the Conservation Area, for utilities, as well as use of other utility easements as shown on the Plat, shall be in accordance with the applicable provisions of this Declaration. The Declarant and its affiliates and its and their designees shall have a perpetual easement over, upon and under the Common Area (excluding the Conservation Area) for the installation and maintenance of community and/or Cable TV and security and other communication lines, equipment and materials and other similar underground television, radio and security cables (and all future technological advances not now known) for the service to the Lots and other portions of the Subdivision.

Section 5. Other Easements. Easements are reserved over each Lot and the Common Area in favor of each other Lot and the Common Area in order to permit drainage and run-off from one Lot (and its improvements) to another Lot or Lots or to the Common Area or from the Common Area to any Lot or Lots. Easements are reserved over the Common Area in favor of each Lot and



Lot Owner, his tenants, invitees, and agent for the purpose of ingress and egress to any Lot, and any encumbrance of the Common Area be subject the foregoing easement rights.

Section 6. Ownership and Use of Common Area. The Common Area is hereby dedicated to the Association and to the nonexclusive joint and several use, in common, of the Declarant and the Owners of all Lots that may from time to time constitute part of the Subdivision and the Declarant's and such Owners' tenants, guests and invitees. Beginning from the date this Declaration is recorded, the Association shall be responsible for the maintenance of such Common Area. It is intended that all real estate taxes assessed against the Common Area shall be proportionally assessed against and payable as part of the taxes of the applicable Lots within the Subdivision. However, in the event that, notwithstanding the foregoing, any such taxes are assessed directly against the Common Area, the Association shall be responsible for the payment of the same, including taxes on any improvements and any personal property located thereon, which taxes accrue from and after the date these covenants are recorded, and such taxes shall be prorated between Declarant and the Association as of the date of such recordation. Declarant and its affiliates shall have the right from time to time to enter upon the Common Area, excluding the Conservation Area, and other portions of the Subdivision, excluding the Conservation Area, for the purpose of construction, reconstruction, repair, replacement and/or alteration of any improvements or facilities on the Common Area and other portions of the Subdivision, excluding the Conservation Area, for sales, displays and signs or for any other purpose during the period of construction and sale of any portion of the Subdivision. Without limiting the generality of the foregoing, the Declarant and its affiliates shall have the specific right to maintain upon any portion of the Subdivision sales, administrative, construction and/or offices without charge, and appropriate easements of access and use are expressly reserved unto the Declarant and its affiliates, and its and their successors, assigns, employees and contractors, for this purpose. Any obligation to complete portions of the Common Area shall, at all times, be subject and subordinate to these rights and easements and to the above-referenced activities. Accordingly, the Declarant shall not be liable for delays in such completion to the extent resulting from the above-referenced activities.

Section 7. Maintenance of Common Areas, Surface Water or Stormwater Management System. The Association shall at all times maintain in good Operation and replace, as often necessary, the Stormwater Management System, all such work to be done as specified in this Declaration or in the Plans. Maintenance of any lighting/electrical fixtures which are integral parts of the Stormwater Management System shall include and extend to payment for all electricity consumed in the operation thereof. All work pursuant to this Declaration or the Plans and all expenses incurred hereunder shall be paid for by the Association, although the Association may recoup such costs and expenses as a part of assessments or other charges (either general or special) against individual Lots. No Lot Owner may waive or otherwise escape liability for assessments by non-use of the Common Area or abandonment of the right to use the Common Area.

Section 7.1 The Association shall be responsible for the maintenance, operation and repair of the surface water or stormwater management system. Maintenance of the surface water or stormwater management system(s) shall mean the exercise of practices which allow the systems the provide drainage, water storage, conveyance or other surface water or stormwater management



capabilities as permitted by the St. Johns River Water Management District. The Association shall be responsible for such maintenance and operation. Any repair or reconstruction of the surface water or stormwater management system shall be as permitted or, if modified, as approved by the St. Johns River Water Management District.

Section 8. Operation of the Stormwater or Surface Water Management System. The Common Area, upon which the Stormwater or Surface Water Management System is situated, shall be open spaces without any structures being permitted therein, except for structures which are a part of the Stormwater Management System. The Stormwater Management System shall be operated all in accordance with the standards, conditions, and requirements set forth on the Plans and the Permit issued by St. Johns River Water Management District which standards, conditions, and requirements shall constitute minimum standards for the operation of the Stormwater Management System. At all times the Stormwater Management System shall be maintained in such a condition so that the Stormwater Management System equals or exceeds the design performance standards as shown in the drainage calculations on the approved Plans and the Permit issued by the St. Johns River Water Management District.

Section 9. Stormwater Management System. If the Association has failed to maintain in good operation, the Stormwater Management System or failed to do so in compliance with the Plans or as otherwise required herein, the County may but shall not be obligated to, after giving the Association thirty (30) days' written notice sent to the Association's last known respective registered agents, Operate that portion of the Stormwater Management System in need of said operation. Said determination by the County to operate temporarily or permanently, any part or all of the Stormwater Management System shall be optional with the County, and the County shall be under no obligation to, either temporarily or permanently, operate the Stormwater Management System. All costs and expenses of the County resulting from any operation of the County of the Stormwater Management System shall be chargeable to and assessed by the County to the Association; provided, that in the event the County chooses to operate the Stormwater Management System in accordance herewith, the Association shall have thirty (30) days in which to pay the County's assessment expenses and costs after the Association receives a bill therefor from the County. If the Association shall fail to pay to the County within said thirty (30) day period for the cost of providing said services, the County has, and is hereby granted, a lien for the costs of said services. Said lien shall include interest to be assessed at a rate of eighteen percent (18%) per annum and may include the costs and reasonable attorney's fees for collection of the assessments and foreclosure of the said lien. The total cost of such services shall be pro-rated (based on a fraction, the numerator of which shall be the number 1, representing the Lot to be assessed and the denominator of which shall be the total number of Lots as depicted on the Plat) among all the Lots and shall constitute a lien against each Lot, for its pro-rata share, as the County shall deem appropriate. Further, to assist in collection of the costs for such services. The County shall have the power of lien and assessment to the same extent as the Association as set forth in Article IV of this Declaration. All such liens shall be subordinate to first mortgages upon the Lots.

ARTICLE IV
MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. Every Owner of a Lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to, and may not be separated from, ownership of any Lot which is subject to assessment.

Section 2. Voting Rights. The Association shall have two classes of voting membership:

a. Class A. Class A members shall be all Owners with the exception of the Declarant, and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine and in accordance with the Association's By-Laws, but in no event shall more than one vote be cast with respect to any Lot.

b. Class B. The Class B member(s) shall be the Declarant, and shall be entitled to nine (9) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

- (1) When the number of Class A votes equals the number of Class B votes; or
- (2) On January 1, 2012.

ARTICLE V COVENANT FOR ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned with the Subdivision, hereby covenants, and each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree, to pay to the Association annual assessments or charges and special assessments for capital improvements, comply with these covenants and restrictions wherein costs suffered by the Association to correct violations may be assessed against particular Owners and Lots and payment of certain enforcement penalties as provided for in Article XI, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person or persons who were the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them, or unless the Association causes a lien to be recorded in the Public Records of the County.

Section 2. Purpose of Assessments. The Assessments levied by the Association shall be used exclusively for the purpose of implementing the corporate purposes and powers of the Association, for promoting the health, safety, welfare, and general aesthetics of the residents of the Subdivision; for the improvement and maintenance of the Common Area, including for the



conservation and maintenance of the Conservation Area; for the improvement, maintenance, operation and management of the Stormwater Management System, including but not limited to work within retention areas, drainage structures, and drainage easements, for the payment of operating expenses of the Association, for the payment of taxes and insurance on the Common Area and Stormwater Management System, for certain Lot maintenance as provided for in Article V, for compliance with Architectural Control Committee requirements as provided for in Article VI, for compliance with and enforcement of other covenants or restrictions as provided for in this Declaration, for capital improvements, for reserves (if any), and for any other thing necessary or desirable, including but not limited to the cost associated with obtaining basic cable television services for the Subdivision in the judgment of the Association, to keep the Subdivision secure, clean, neat and attractive, or to preserve or enhance the value of the Subdivision, or to eliminate fire, health or safety hazards, or which in the judgment of the Association may be of general benefit to its members.

Section 3. Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner other than the Declarant, the maximum annual assessment shall be no more than \$250.00.

a. From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner other than the Declarant, the maximum annual assessment may be increased each year not more than five percent (5%) above the maximum assessment for the previous year without a vote of the membership.

b. From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased above five percent (5%) by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.

c. The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

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

Section 5. Notice For Any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be as set forth in the By-Laws of the Association.



Section 6. Uniform Rate of Assessment. Both annual assessments and special assessments for capital improvements must be fixed a uniform rate for all Lots, and may be collected in advance of a monthly, quarterly or annual basis, provided that the Declarant shall be exempt from the payment of the annual assessments upon unsold Lots owned by the Declarant for so long as Declarant shall obligate itself to pay all expenses incurred by the Association in excess of the amounts produced from such assessments.

Section 7. Date of Commencement of Annual Assessments, Due Dates. The annual assessments provided for herein shall commence as to all Lots on the first (1st) day of the month following the conveyance by the Declarant of the Common Area. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. The due dates shall be established by the Board of Directors. The Association shall, upon demand for and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

Section 8. Effect of Nonpayment of Assessments; Remedies of the Association. Any assessment or installment thereof not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of eighteen percent (18%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the Lot. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot. Failure to pay an Assessment shall not constitute a default under an FHA/VA insured or guaranteed loan.

Section 9. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage to an institutional lender (i.e., a bank, insurance company, or savings and loan association), or Federal Housing Administration or Veterans Administration insured, guaranteed, or owned mortgage. The sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien for such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof. No mortgagee shall be required to collect Assessments.

Section 10. Exempt Property. Property subject to this Declaration dedicated to, and accepted by, a governmental entity or the Association shall be exempt from the assessments created herein; provided, however, no land or improvements devoted to dwelling use shall be exempt from said assessments.

Section 11. Trust Funds. The portion of all annual assessments collected by the Association for reserves for future expenses, and the entire amount of all special assessments for capital improvements, shall be held in trust by the Association for the Owners of all Lots, as their interests may appear, and may be invested in interest bearing accounts or in certificates of deposit



or other like instruments or accounts available at banks or savings and loan institutions the deposits of which are insured by an agency of the United States.

Section 12. Class B Members Obligations for Assessment. Notwithstanding anything herein to the contrary, Lots owned by Class B Members shall be exempt from assessments. The Class B Members shall, however, pay to the Association all funds in addition to those collected from Class A Members, regular assessments necessary to operate the Association in accordance with its approved Operating Budget.

ARTICLE VI EXTERIOR MAINTENANCE

In the event an Owner of any Lot in the Subdivision shall fail to maintain the premises and the improvements situated thereon in a manner satisfactory to the Board of Directors, the Association, after approval by two-thirds (2/3) vote of the Board of Directors and thirty (30) days' prior written notice to the Owner at the last address in the Association's records for said Owner, such notice informing the Owner that unless certain specified repairs or maintenance are made within a thirty (30) day period the Board of Directors shall cause such necessary repairs or maintenance to be accomplished and charge same to the Owner, shall, upon the failure of the Owner to act within said period of time, have a right, through its agents and employees, to enter upon said Lot and to repair, clear, trim, maintain and restore such Lot and the exterior of the buildings and any other improvements erected thereon. The cost of such exterior maintenance shall be added to and become part of the assessments to which such Lot is subject. In no event shall the Association or any of its agents be liable for trespass in causing necessary repairs or maintenance to be accomplished pursuant to this Article.

ARTICLE VII CONSERVATION EASEMENT

Section 1. Conservation Easement Areas. Pursuant to the provisions of Section 704.06, Florida Statutes, Declarant has granted to the St. Johns River Water Management District (the "District") a conservation easement in perpetuity over the property described in the Conservation Easement recorded on September 4, 2001 in Official Records Book 6337, Page 6227, Public Records of Orange County, Florida. Declarant granted the Conservation Easement as a condition of permit number 12-095-0119, issued by the District, solely to offset adverse impacts to natural resources, fish and wildlife, and Conservation functions.

1.1. Purpose. The purpose of the Conservation Easement is to assure that the Conservation Easement Areas will be retained forever in their existing natural condition and to prevent any use of the Conservation Easement Areas that will impair or interfere with the environmental value of these areas.



1.2. Prohibited Uses. Any activity in or use of the Conservation Easement Areas, inconsistent with the purpose of the Conservation Easement is prohibited. The Conservation Easement expressly prohibits the following activities and uses:

- a. Construction of placing buildings, roads, signs, billboards or other advertising, utilities or other structures on or above the ground;
- b. Dumping or placing soil or other substance or material as landfill or dumping or placing of trash, waste or unsightly or offensive materials;
- c. Removing, destroying or trimming trees, shrubs, or other vegetation;
- d. Excavating, dredging or removing loam, peat, gravel, soil, rock or other material substances in such a manner as to affect the surface;
- e. Surface use, except for purposes that permit the land or water area to remain predominantly in its natural condition;
- f. Activities detrimental to drainage, flood control, water conservation, erosion control, soil conservation, or fish and wildlife habitat preservation;
- g. Acts or uses detrimental to such retention of land or water areas;
- h. Acts or uses detrimental to the preservation of the structural integrity or physical appearance of sites or properties of historical, architectural, archaeological, or cultural significance;
- i. Removal or damage of fences, if any, designating the boundaries of the conservation areas.

1.3. Responsibilities. The Association, its successors and assigns, are responsible for the periodic removal of trash and other debris which may accumulate in the Conservation Easement Areas.

1.4. Rights of District. To accomplish the purposes stated in the Conservation Easement, the Declarant conveyed the following rights to the District:

- a. To enter upon and inspect the Conservation Easement Areas in a reasonable manner and at reasonable times to determine if Declarant or its successors and assigns are complying with the covenants and prohibitions contained in the Conservation Easement;
- b. To proceed at law or in equity to enforce the provisions of the Conservation Easement and the covenants set forth herein, to prevent the occurrence of any of the prohibited activities set forth herein, and require the restoration of areas or features of the Conservation Easement Areas that may be damaged by any activity inconsistent with the Conservation Easement;

1.5. Amendment. The provisions of the Conservation Easement may not be amended without the prior written approval of the District.

ARTICLE VIII
ARCHITECTURAL CONTROL

Section 1. Approval of Building Plans. All building plans for structures, including but not limited to buildings, fences, swimming pools, patios, tennis courts, and signs, must receive approval by and a permit from the County, or if the real property upon which the structure is proposed to be built has been annexed into a municipality, then approval and a permit must be obtained from the annexing municipality instead of the County. In addition, no building, fence, wall, mailbox, pool, tennis court, patio, sidewalk, paved area (other than platted streets), basketball hoop, pet house, sign, outside antenna or other structure or improvement shall be commenced, erected, placed, maintained or altered on any Lot nor shall any awning, canopy, shutter, enclosure or improvement be attached to or placed upon the outside walls for roof of any building or other structure on any Lot until the construction plan and specifications and a plot plan showing the location of same, have been approved in writing as to the harmony of exterior design, materials and colors with existing structures, as to location with respect to surrounding structures and topography, and as to the harmony of the quality of finished standards with existing structures, by the Architectural Control Committee. A copy of the construction plans and specifications showing the nature, kind, shape, height, materials, square footage, location, color, and landscaping of same, and a plot plan, together with such additional information as may be deemed pertinent by the Architectural Control Committee, shall be submitted to such Committee, or its designated representative, prior to commencement of construction in such form and detail as such Committee may elect in its sole discretion. In the event the Architectural Control Committee fails to approve or disapprove such plans and specifications within thirty (30) days after the receipt of the required documents, approval will not be required and the requirements of this section will be deemed to have been fully complied with. The Architectural Control Committee shall have full and complete authority to approve construction of any improvement on any Lot, and its judgment shall be final, conclusive and binding. The existence of the signatures of at least three (3) members of the Architectural Control Committee on any plans or specifications shall be conclusive proof of the approval by such Committee of such plans and specifications.

Section 2. Committee Membership. The Architectural Control Committee members shall be three (3) to five (5) in number, and shall be appointed by the Declarant until control of the Association has been passed to the Owners other than the Declarant, at which time such members shall thereafter be appointed by a majority vote of the Board of Directors and shall serve at the pleasure of said Board; provided, however, that in its selection, the Board of Directors shall appoint a designated representative of Declarant to such Committee for so long as the Declarant owns any Lots in the Subdivision.

Section 3. Quorum. A quorum of the Architectural Control Committee shall be three (3) members. No decisions of said Committee shall be binding without a quorum present.



Section 4. Planning Criteria. The Architectural Control Committee may from time to time promulgate and amend guidelines concerning construction criteria; however, such criteria if promulgated shall only serve as a guideline and the Architectural Control Committee shall retain its full and complete authority and discretion to approve or disapprove construction under the provisions of this Article.

Section 5. Enforcement. The Architectural Control Committee, along with the Declarant and/or the Board of Directors of the Association shall have the right and obligation to enforce the provisions hereof. Should any Owner fail to comply with the requirements hereof, after thirty (30) days written notice, the Architectural Control Committee, the Declarant and/or the Board of Directors of the Association shall have the right to enter upon the Lot, make such corrections or modifications as are necessary, or remove anything in violation of the provisions hereof, and charge the cost thereof to the Owner. Should the Architectural Control Committee, the Declarant, and/or the Board of Directors be required to enforce the provisions hereof by legal action, the reasonable attorney's fees and costs incurred, whether or not judicial proceedings are involved, including the attorney's fees and costs incurred on appeal of such judicial proceedings, shall be collectible from the Owner. The Architectural Control Committee, the Declarant and the Board of Directors of the Association, or their agents or employees, shall not be liable to the Owner for any damages or injury to the property or person of the Owner unless caused by negligent action of the Architectural Control Committee, the Declarant or the Board of Directors.

ARTICLE IX GENERAL RESTRICTIONS

Section 1. Condition of Building and Grounds. It shall be the responsibility of each Owner to prevent the occurrence of any unclean, unsightly or unkept condition of buildings or grounds on his Lot which shall tend to substantially decrease the beauty of the Subdivision as a whole or the specific Lot.

Section 2. Offensive Activity. No noxious or offensive activity shall be carried on upon a Lot nor shall anything be done thereon tending to cause embarrassment, discomfort, annoyance or nuisance to the Subdivision community. There shall not be maintained in the Subdivision any plants or animals, or device or thing of any sort whose normal activities or existence is in any way noxious, dangerous, unsightly, unpleasant or of a nature as may diminish or destroy the enjoyment of other property in the Subdivision by the Owners thereof.

Section 3. Commercial vehicles, Trailers, Boats and Parking. No oversized vehicle, truck, house or travel trailer, camper, mobile home, motor home, house trailer, horse trailer, boat trailer, trailer of any kind, recreational vehicle, boat, or other such vehicle or device shall be placed, parked, left or stored on any Lot or the Common Area; provided, however, that with regard to any Lot, this provision shall not apply to any such vehicle or device, being kept in an enclosed garage. With regard to Lots the prohibition of parking shall not apply to commercial vehicles, the temporary parking of trucks and commercial vehicles such as for pick-up or delivery and other commercial services, nor to vans or pick-up trucks for personal use which are in acceptable condition in the sole



opinion of the Board of Directors, nor to any vehicle of the Declarant or its affiliates. No commercial vehicle shall be placed, parked, left, or stored on any portion of the Common Area. Any such vehicle or device parked in violation of these or other restrictions contained herein or in the Rules and Regulations now hereafter adopted may be towed by the Association at the sole expense of the owner of such vehicle or device if such vehicle or device remains in violation for a period of twenty-four (24) hours from the time a notice of violation is placed on the vehicle or device. The Association shall not be liable to the Owner of such vehicle or device for trespass, conversion or otherwise, nor guilty of any criminal act, by reason of such towing, and once the notice is posted, neither its removal, nor failure of the owner to receive it for any other reason, shall be grounds for relief of any kind. An affidavit of the person posting such notice stating that it was properly posted shall be conclusive evidence of proper posting.

Section 4. Trees. No trees measuring six (6) inches or more in diameter at ground level may be removed without the written approval of the Association unless located within ten (10) feet of the building or within ten (10) feet of the approved site for such a building.

Section 5. Temporary Structures. No structure of a temporary character shall be placed upon the Subdivision at any time, provided, however, that this prohibition shall not apply to temporary shelters used by a contractor during the construction or repair of the improvements upon the Subdivision. Such temporary shelters may not, at any time, be used as residences or permitted to remain on the said property after completion of construction or repairs.

Section 6. Garages, Carports. If a garage is built subsequent to the construction of a building, the garage shall be of the same kind of, or matching, material as the construction of the building. The garage shall substantially conform architecturally with the building, and must first be approved by the Architectural Control Committee. Carports shall not be permitted.

Section 7. Electromagnetic Radiation, Outside Antennas. No radio or television signals nor any other form of electromagnetic radiation shall be permitted to originate from any Lot which interferes with the reception of television or radio signals received upon any other Lot. No exterior antennas, to include without limitation satellite dishes larger than eighteen inches (18") in diameter and short wave radio antennas, shall be permitted on any Lot or improvement thereon, except that Declarant and its affiliates shall have the right to install and maintain community antenna, microwave antenna, dishes, satellite antenna and radio, television and security lines, and except that Owner may install one normal rooftop television antenna or one satellite dish eighteen inches (18") or smaller in diameter as approved by the Architectural Control Committee.

Section 8. Clotheslines. No clothesline shall be placed on any Lot, except in fully screened areas in the backyard only, so as not to be visible from the street or objectionable to an adjacent property.

Section 9. Window Air Conditioning Units. No window or through-the-wall air conditioning units shall be permitted. No building shall have any aluminum foil or other reflective material in any window or glass door.



Section 10. Vehicles and Repair. No inoperative cars, trucks, trailers, or other types of vehicles shall be allowed to remain on or adjacent to any Lot for a period in excess of forty-eight (48) hours in any ninety (90) consecutive day period; provided however, that this provision shall not apply to any such vehicle being kept in an enclosed garage. There shall be no major repair performed on any motor vehicle on or adjacent to any Lot in the Subdivision. All vehicles shall have current license plates. Moreover, no stripped, unsightly, offensive, wrecked, junked, or dismantled vehicles or portions thereof, shall be parked, stored or located upon any Lot at any time. No portion of the Common Area may be used for parking of such inoperative vehicles.

Section 11. Storage of Construction Materials. No lumber, brick, stone, cinder block, concrete or any other building materials, scaffolding, mechanical devices or any other thing used for building purposes shall be stored on any Lot, except for purposes of construction on such Lot, and shall not be stored for longer than that length of time reasonably necessary for the construction in which same is to be used.

Section 12. Household Pets. No Lot shall be used for keeping or breeding of livestock animals or poultry of any kind. Domesticated household pets may be kept provided they are not kept for breeding or maintained for any commercial purpose and provided that they do not become a nuisance or annoyance to any neighbor. For purposes hereof, household pets shall mean dogs, cats, domestic birds and fish. No more than four (4) cats and/or dogs may be kept on any Lot. All household pets shall be kept on a leash when not kept within an enclosed area. Any pet deemed objectionable by the Board of Directors for any reason shall be removed promptly by the Owner on fifteen (15) days' notice.

Section 13. Vegetable Gardens. No vegetable gardens shall be permitted except in fully screened areas in the backyard only, so as not to be visible from the street or objectionable to an adjacent property.

Section 14. Hunting. No hunting shall be permitted anywhere on the Subdivision.

Section 15. Exterior Displays. Except for seasonal decorations, an Owner shall not cause anything to be affixed or attached to, hung, displayed or placed on the roof, exterior walls, doors, balconies or windows of his Unit; provided, however, that standard exterior improvements such as awnings and shutters may be added with the approval of the Architectural Control Committee.

Section 16. Building Requirements. Only single family detached homes shall be constructed in the Subdivision. No Unit shall be constructed of such dimensions that the living area (which excludes garage, patios or other appurtenances which are not customarily considered to be "living area") is less than eleven hundred (1,100) square feet. Front, rear and side setback requirements, as established by County ordinances in effect at the time of construction, shall be complied with; provided however, that in no event shall any building be erected closer than twenty (20) feet to the front line, or closer than twenty (20) feet to the rear line, exclusive of pool or patio, or closer than five (5) feet to the building on an adjacent lot. Pool and patio setback shall be no closer than five (5) feet to the rear line.

Section 17. Signage. No sign of any kind shall be displayed to the public view on any Lot except for one professionally lettered and constructed temporary sign not more than four (4) feet square in size approved by the Architectural Control Committee, the purpose of which is to indicate the sale or rental of a Unit or Lot.

Section 18. Storage Receptacles. No Lot shall be used 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. There shall be no burning of trash or other waste material. All garbage or trash containers, oil tanks, bottle gas tanks, soft water tanks and similar receptacles or installations shall be placed under the surface of the ground or in walled-in areas or screened with fencing or shrubbery so as not to be visible from the street or objectionable to an adjacent property.

Section 19. Garbage and Trash Disposal. No garbage, refuse, trash or rubbish shall be deposited except as permitted by the Association. The requirements from time to time of the applicable governmental authority for disposal or collection of waste shall be complied with. The right to select a garbage collection company for use by all Lots and to include billings for same as part of Assessments against each Lot, or alternatively, to bill directly or provide that the collection company shall bill directly to the affected Lots shall be reserved to the Association. No Lot Owner may avoid a fee or charge for garbage collection either as part of a regular Association assessment or as a separate charge of a garbage collection service. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition. Containers must be rigid plastic, no less than twenty (20) gallons or more than thirty-two (32) gallons in capacity unless use of another container by the County or hauler is required, and well sealed. Plastic bags may be used for yard clippings. Bags and containers may not be placed out for collection sooner than twelve (12) hours prior to any scheduled collection and must be removed within twelve (12) hours of collection.

Section 20. Fences. Prior to any installation of any fence, or wall, it must first be approved and permitted by the County, or if the real property upon which said fence or wall is proposed to be built has been annexed into a municipality, then the approval and permit shall be obtained from said annexing municipality instead of the County. Further, prior to any installation of any fence, or wall, it must first be approved by the Architectural Control Committee, except as originally installed by the Declarant or its affiliates. The finished side of any such fence or wall shall face toward the outside of the Lot. No chain link fences shall be permitted on any Lot or portion thereof, unless installed by Declarant or its affiliates during construction periods.

Section 21. Maintenance. Each Lot, whether occupied or unoccupied, shall be maintained reasonably clean and in all events, free from refuse, debris, unsightly growth and fire hazard.

Section 22. Utility Easements. Easements for installation and maintenance of utilities and cable television (if any) are reserved as shown on the Plat. 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 cable television or which may impede the flow of water through drainage channels in the easements except as a part of the Stormwater Management

System. 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 utilities company is responsible.

Section 23. Easements for Access and Drainage. Easement for maintenance and operation of Surface Water or Stormwater Management Systems are reserved as show on the Plat. The Association shall have a perpetual access over all such easement areas of the surface water or stormwater management system for access to operate, maintain or repair the system. The Association shall have the right to enter upon any portion of any lot which is a part of the surface water or stormwater management system, at a reasonable time and in a reasonable manner, to operate, maintain or repair the surface water or stormwater management system as required by the St. Johns River Water Management District permit. Additionally, the Association shall have a perpetual non-exclusive easement for drainage over the entire surface water or stormwater management system. No person shall alter the drainage flow of the surface water or stormwater management system, including buffer areas or swales, without the prior written approval of the St. John River Water Management District. Nothing contained herein shall operate to create an easement other than those depicted on the Plat.

Section 24. Reconstruction. No building or improvement which has been partially or totally destroyed by fire or other casualty shall be allowed to remain in such condition for more than two (2) months. The Owner thereof shall raze or remove said destroyed or partially destroyed building or improvement and remove any debris promptly from such Lot, or rebuild said destroyed or partially destroyed building or improvement.

Section 25. Land Use and Building Type. No building constructed on a Lot (except for Lot 1) shall be used except for residential purposes. Temporary uses by Declarant and its affiliates for model homes, sales displays, parking lots, sales offices and other offices, or any one or combination of such uses, shall be subject to approval and permitting by the County, and shall be otherwise permitted until permanent cessation of such uses takes place. No changes may be made in buildings erected by the Declarant or its affiliates (except if such changes are made by the Declarant) without the consent of the Architectural control Committee as provided herein and without approval and permit issued by the County. If the real property upon which the said building(s) proposed to be changed has been annexed into a municipality, then approval and a permit must be obtained from the annexing municipality instead of the County.

Section 26. Condition and Construction. All Lots, whether occupied or unoccupied, and any buildings, structures or improvements thereon, shall at all times be maintained in such a manner as to prevent their becoming unsightly by reason of unattractive growth on such Lot or the accumulation of rubbish or debris thereof. Every building, structure or other improvement, the construction of which is begun on any Lot, shall be diligently and continuously prosecuted after the beginning of such construction or placement until the same shall be fully completed, except to the extent prevented by strikes, lockouts, boycotts, the elements, war, inability to obtain materials, acts of God, or similar causes.

Section 27. General. Nothing contained in this Declaration shall be interpreted or construed to prevent Declarant, its successors or assigns or its or their contractors, or subcontractors, from doing or performing on all or any part of the Lots or properties owned or controlled by Declarant, or its successors or assigns, whatever they determine to be reasonably necessary or advisable in connect with the completion of the development, including without limitation:

a. erecting, constructing, and maintaining thereon, such structures as may be reasonably necessary for the conduct of Declarant's business of completing the development and establishing the Subdivision as a residential community and disposing of the same by sale, lease or otherwise; or

b. conducting thereon its business of completing the development and establishing the Subdivision as a residential community and disposing of the properties by sale, lease or otherwise; or

c. maintaining such sign or signs thereon as may be reasonably necessary in connection with the sale, lease, or other transfer of the Lots.

Section 28. Insect and Fire Control. In order to implement effective insect, reptile and woods fire control, the Association shall have the right to enter upon any Lot on which a residence has not be constructed and upon which no landscaping plan has been implemented (with prior written approval of the Association for such plan), such entry to be made by personnel with tractors or other suitable devices, for the purpose of mowing, removing, clearing, cutting or pruning underbrush, weeds or other unsightly growth, which in the opinion of the Association detracts from the overall beauty, setting and safety of the Association. Such entrance for the purpose of mowing, cutting, clearing or pruning shall not be deemed a trespass. The Association and its agents may likewise enter upon such land to remove any trash which has collected on such Lot without such entrance and removal being deemed a trespass. The provisions in this paragraph shall not be construed as an obligation on the part of the Association to mow, clear, cut or prune any Lot nor to provide garbage or trash removal services.

Section 29. Swimming Pools. No swimming pool may be constructed or altered without approval of and a permit from the County, or if the real property upon which the swimming pool construction or alternation is proposed has been annexed into a municipality, then approval and a permit must be obtained from the annexing municipality instead of the County. Any swimming pool to be constructed on any Lot shall be subject to requirements of the Architectural Control Committee.

Section 30. Insurance. Nothing in this Declaration shall be construed to permit, and no person other than the Owner of a Lot, or the mortgagee where permitted by the mortgage, shall have the right to place hazard or liability insurance for that Lot.

Section 31. Boat Docks. No boat docks or piers shall be constructed upon any lake by any member unless approved by the Architectural Control Committee, the St. Johns Water Management

District and all other applicable governmental agencies whether state, federal, municipal or county. Nothing contained herein shall preclude the Association from constructing a single dock upon common areas in compliance with the rules of any applicable governmental agency whether state, federal, municipal or county.

ARTICLE X
SPECIAL RESTRICTIONS
AFFECTING COMMON AREA

Section 1. General Intent. It shall be the intent and purpose of this Declaration and these restrictions and covenants to maintain and enhance the Common Area. It shall be the further intent and purpose of the Declaration and these restrictions and covenants to protect any natural streams and water supplies, to maintain and enhance the conservation of natural and scenic resources, to promote the conservation of soils, wildlife, game and migratory birds.

Section 2. Buildings. It is expressly understood and agreed that no building, tent, trailer or other structure, either temporary or permanent, except as noted elsewhere herein, shall be erected or caused to be placed on any lands shown and set aside on the Plat as a Common Area; and likewise, no building, tent, trailer or other structure, either temporary or permanent, except as noted elsewhere herein, shall be erected or caused to be placed on any lands shown and set aside on the Plat as Common Area.

Section 3. Trash. No dumping of trash, garbage, sewage, sawdust or any unsightly or offensive materials shall be placed upon the Common Area, except as is temporary and incidental to the bona fide improvement of the area in a manner consistent with its classification as a Common Area.

Section 4. Control of Pets. Authorized pets shall only be walked or taken upon those portions of the Common Area designed by the Association from time to time for such purposes. In no event shall said pets be allowed to be walked or taken on or about any Conservation Area contained within the Subdivision.

Section 5. Access to Common Area. Owners, their families and guests shall not enter into any Common Area, except and unless a trail, path, or boardwalk has been constructed by the Declarant, or the Association as provided for above, in which case any person entering into a Common Area shall remain on such trail, path, or boardwalk and shall not disturb or disrupt the natural vegetation or wildlife. The foregoing shall not obligate the Declarant, or the Association to construct any trail, path, or boardwalk or similar feature upon the Common Area. Further, no such trail, path, or boardwalk shall be created, unless first approved and permitted by the County.

Section 6. Restriction Regarding Use of Lakes. The use of any lake is limited to swimming, fishing and the use of non-motorized water craft. Water craft propelled by electrical, gasoline, or diesel engines are strictly prohibited.

ARTICLE XI
GENERAL PROVISIONS

Section 1. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions hereof, which shall remain in full force and effect.

Section 2. Duration. The covenants and restrictions of this Declaration shall run with and bind the land for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years.

Section 3. Notices. Any notice required to be sent to any Owner under the provisions of this Declaration shall be deemed to have been sent when mailed, postage prepaid, to the last known address of the person or persons who appear as the Owner of the Lot on the records of the Association at the time of such mailing.

Section 4. Subdivision of Lots. No Lot shall be subdivided, or boundaries changed, except with the written consent of the Association and the County. If the Lot subject to further subdivision or boundary change has been annexed into a municipality, then approval and a permit must be obtained from the annexing municipality instead of the County. The Declarant reserves the right to replat any Lots in the Subdivision prior to their sale, without the necessity of the joinder or approval of the Association or other Owners of Lots in the Subdivision, subject to review and approval by the FHA and/or the VA as provided hereinbelow.

Section 5. FHA/VA Approval. As long as there is a Class B membership, the following actions will require the prior approval of the FHA and/or the VA:

- a. Annexation of additional properties,
- b. Dedication of Common Area, and
- c. Amendment of this Declaration of Covenants and Restrictions.

Section 6. Rules and Regulations. The Association may publish unrecorded Rules and Regulations from time to time that shall be applicable to the Subdivision but which shall not be applicable to the Declarant or its affiliates, agents or employees and contractors (except in such contractor's capacity as Owners) nor to institutional first mortgagees, nor to property while owned by either the Declarant or its affiliates or such mortgagees. Such Rules and Regulations shall apply to all other Owners and occupants. The Board of Directors shall be permitted to grant relief to one or more Owners from specific Rules and Regulations upon written request therefore and good cause shown in the sole opinion of the Board.

Section 7. Easements. Formal language of grant or reservation with respect to such easements, as appropriate, is hereby incorporated into the easement provisions hereof to the extent not so recited in some or all of such provisions.

Section 8. Covenants Running With the Land. Anything to the contrary herein notwithstanding and without limiting the generality (and subject to the limitations) hereof, it is the intention of the Declarant as fee simple owner of the Subdivision, and all other fee simple owners of portions of Subdivision who have joined in the execution of this Declaration, that this Declaration shall constitute covenants running with the land and with title to the Subdivision or any part thereof, or as equitable servitudes upon the land, as the case may be.

Section 9. Dissolution of Association. In the event of a permanent dissolution of the Master Association, the fee simple owners of Lots in the Subdivision shall immediately thereupon hold title to the Common Areas as tenants in common and shall collectively provide for the continued maintenance and upkeep thereof in a manner or under a procedure acceptable to the County. In no event shall the County be obligated to accept any dedication offered to it by the Association or the fee simple owners of the Subdivision pursuant to this Section, but the County may in its sole and absolute discretion accept such a dedication, and any such acceptance must be made by resolution adopted by the County Commission. Any successor to the Association, including the fee simple owners of Lots shall pursuant to this Declaration provide for the continued maintenance and upkeep of the Stormwater Management System, if any, and the Common Area.

Section 10. Swale Maintenance (if applicable). In the event the Developer has constructed a Drainage Swale upon each Lot for the purpose of managing and containing the flow of excess surface water, if any, found upon such lot from time to time, each lot owner, shall be responsible for the maintenance, operation and repair of the swales on the lot. Maintenance, operation and repair shall mean the exercise of practices, such as mowing and erosion repair, which allow the swales to provide drainage, water storage, conveyance or other stormwater management capabilities as permitted by the St. Johns River Water Management District. Filling, excavation, construction of fences or otherwise obstructing the surface water flow in the swales is prohibited. No alteration of the Drainage Swale may be authorized and any damage to any Drainage Swale, whether caused by natural or human-induced phenomena, shall be repaired and the Drainage Swale returned to its former condition as soon as possible by the Owner(s) of the Lot(s) upon which the Drainage Swale is located.

Section 11. Cable Television. The Association shall enter into an agreement with a cable television service provider to provide basic cable television services to each lot. The assessments contemplated by Article 5 include the cost incurred by the Association to provide cable service to each lot regardless of whether any improvements have been constructed on any lot.

ARTICLE XII
ESTOPPEL CERTIFICATE

If all sums due to the Association shall have been paid, the Association shall deliver an estoppel certificate within ten (10) days of a written request therefor. The Owner requesting the certificate shall pay to the Association a reasonable sum to cover the costs of examining records and preparing the certificate.

ARTICLE XIII
ENFORCEMENT

Section 1. Compliance by Owners. Every Owner shall comply with the restrictions and covenants set forth herein any and all Rules and Regulations which from time to time may be adopted by the Board of Directors of the Association without the necessity of being recorded in the public records.

Section 2. Enforcement. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no way be deemed a waiver of the right to do so thereafter. If and as permitted by applicable Florida law, the Association shall have the right to suspend voting rights and use of Common Area (except for legal access) of defaulting Owners. The offending Lot Owner shall be responsible for all costs of enforcement including attorneys' fees actually incurred and court costs.

Section 2.1. The St. Johns Water Manager District shall have the right to enforce, by a proceeding at law or in equity, the provisions contained in the Covenants and Restrictions which relate to the maintenance, operation and repair of the surface water or storm water management system.

Section 3. Fines. In addition to all other remedies, in the sole discretion of the Board of Directors of the Association, a fine or fines may be imposed upon an Owner for failure of an Owner, his family, guests, invitees or employees, to comply with any covenant, restriction, Rule or Regulation, provided the following are adhered to:

a. Notice. The Association shall notify the Owner of an alleged infraction or infractions. Included in the notice shall be the date and time of a special meeting of the Board of Directors or, if required by applicable Florida law, a committee appointed by the Board of Directors (herein, the "Committee") at which time the Owner shall present reasons why penalties should not be imposed. At least fourteen (14) days' notice of such meeting shall be given.

b. Hearing. The alleged non-compliance shall be presented to the Board of Directors or the Committee after which the Board of Directors or the Committee shall hear reasons why penalties should not be imposed. A written decision of the Board of Directors or the Committee shall be submitted to the Owner by not later than twenty-one (21) days after the Board of Directors' or the Committee's meeting. The Owner shall have a right to be represented by counsel and to cross-examine witnesses.



c. Penalties. The Board of Directors (if its or the Committee's findings are made against the Owner) may impose fines against the Lot owned by the Owner of up to the lesser of the maximum amount permitted by applicable Florida law or the following amounts:

(1) First non-compliance or violation of a particular covenant, restriction, rule or regulation: a fine not in excess of One Hundred and No/100 Dollars (\$100.00).

(2) Second non-compliance or violation of a particular covenant, restriction, rule or regulation: a fine not in excess of Five Hundred and No/100 Dollars (\$500.00).

(3) Third and subsequent non-compliance, or a violation or violations which are of a continuing nature of a particular covenant, restriction, rule or regulation: a fine not in excess of One Thousand and No/100 Dollars (\$1,000.00).

d. Payment of Penalties. Fines shall be paid not later than ten (10) days after notice of the imposition or assessment of the penalties.

e. Collection of Fines. Fines shall be treated as special assessments subject to the provisions for such assessments provided for in Article IV as modified herein.

f. Application of Penalties. All monies received from fines shall be allocated as directed by the Board of Directors.

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

ARTICLE XIV AMENDMENT TO DECLARATION

This Declaration and each of the covenants, easements and restrictions set forth herein may be modified or amended only in the following manner:

Section 1. Notice of the subject matter of a proposed amendment or modification shall be included in the notice of any meeting of the members of the Association at which a proposed amendment is to be considered.

Section 2. An amendment may be proposed by the Board of Directors or by twenty-five percent (25%) of the voting members of the Association. A resolution adopting a proposed amendment must bear the approval of not less than a majority of the members of the Board of Directors and seventy-five percent (75%) of the votes eligible to be cast by members of the Association. Directors and members not present in person or by proxy at the meeting considering



the amendment may express their approval or disapproval in writing, provided such approval or disapproval is delivered to the Secretary prior to the meeting.

Section 3. No amendment may be adopted which discriminates against any Lot owner or against any Lot or class or group of lots, unless the Lot owners so affected consent thereto. No amendment shall change or alter any Lot or the share of the Common Elements appurtenant thereto, nor increase the Lot owner's share of the Common Expense, unless the record owner of the Lots concerned and all record holders of liens on such Lots shall join in the execution of the amendment. Nothing in this paragraph shall limit the Board of Directors in its power as delineated in these Declarations.

Section 4. A copy of each amendment, accompanied by adopted resolution, shall be attached to a certificate certifying that said amendment was duly adopted, which certificate shall be effective when said documents are so recorded. Likewise, any amendment accomplished by agreement of the required number of Members or, where required, by all Lot owners and record owners of liens or mortgages, shall be effective when the agreement effecting such amendment is recorded among the Public Records of Orange County, Florida.

Section 5. Notwithstanding anything hereinabove set forth in this Article, the Declarant reserves the right to amend, modify, alter or annul any of the covenants, conditions, restrictions or easements of this Declaration, until such time as ninety percent (90%) of the Lots have been sold and the ownership interests therein are actually conveyed to purchasers other than the Declarant; provided, however, that any such amendment must comply with the terms of paragraph 12.3 hereof.

Section 6. Each Lot owner consents that this Declaration may be amended by Declarant so long as Declarant is a Class B member, to conform to the requirements of any Institutional Mortgagee and of any Federal agency (including such agencies as FNMA and GNMA) which insures or purchases mortgages.

Section 7. Any amendment to the Covenants and Restrictions which alter any provision relating to the surface water or stormwater management system, beyond maintenance in its original condition, including the water management portions of the common areas, must have the prior approval of the St. Johns River Water Management District.

ARTICLE XV
DISCLAIMER OF LIABILITY OF ASSOCIATION

Notwithstanding anything contained herein or in the Articles of Incorporation, By-laws, any rules or regulations of the Association or any other document governing or binding the Association (collectively, the "Association Documents"), the Association shall not be liable or responsible for, or in any manner a guarantor or insurer of, the health, safety or welfare of any owner, occupant or user of any portion of the properties including, without limitation, residents and their families, guests, invitees, agents, servants, contractors or subcontractors or for any property of any such persons. Without limiting the generality of the foregoing:

(a) It is the express intent of this Declaration and the Association Documents that the various provisions thereof which are enforceable by the Association and which govern or regulate the uses of the properties have been written, and are to be interpreted and enforced, for the sole purpose of enhancing and maintaining the enjoyment of the properties and the value thereof;

(b) The Association is not empowered, and has not been created, to act as an entity which enforces or ensures the compliance with the laws of the United States, State of Florida, Orange County and/or any other jurisdiction or the prevention of tortious activities; and

(c) The provisions of the Association Documents setting forth the uses of assessments which relate to health, safety and/or welfare shall be interpreted and applied only as limitations on the uses of assessment funds and not as creating a duty of the Association to protect or further the health, safety or welfare of any person(s), even if assessment funds are chosen to be used for any such reason.

Each Owner (by virtue of his acceptance of title to his Lot) and each other person having an interest in or lien upon, or making a use of, any portion of the properties (by virtue of accepting such interest or lien or making such use) shall be bound by this Article and shall be deemed to have automatically waived any and all rights, claims, demands and causes of action against the Association arising from or connected with any matter for which the liability of the Association has been disclaimed in this Article.

As used in this Article, "Association" shall include within its meaning all of Association's directors, officers, committee and board members, employees, agents, contractors (including management companies), subcontractors, successors and assigns. The provisions of this Article shall also inure to the benefit of Declarant, which shall be fully protected hereby.


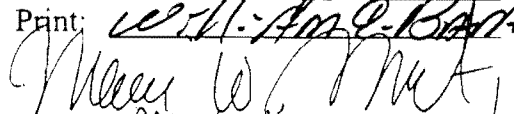
IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal as of the date first appearing above.

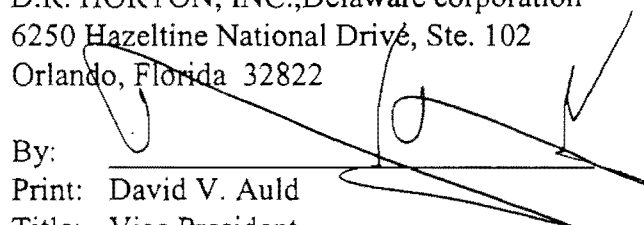


OR Bk 6355 Pg 5014
Orange Co FL 2001-0434387

WITNESSES:

D.R. HORTON, INC., Delaware corporation
6250 Hazeltine National Drive, Ste. 102
Orlando, Florida 32822


Print: David V. Auld

Print: Marie W. Merchant

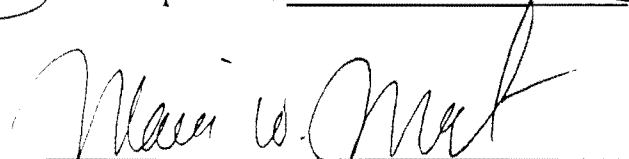
By: 
Print: David V. Auld
Title: Vice President

STATE OF FLORIDA

COUNTY OF Seminole

The foregoing instrument was acknowledged before me this 4th day of September, 2001, by David V. Auld as Vice President of D.R. HORTON, INC., a Delaware corporation, on behalf of the Corporation, who is personally known to me or has produced _____ as identification.




Notary Public, State of Florida



OR Bk 6355 Pg 5015
Orange Co FL 2001-0434387

EXHIBIT A

A PARCEL OF LAND LYING IN SECTION 17, TOWNSHIP 23 SOUTH, RANGE 31 EAST ORANGE COUNTY, FLORIDA. BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:
BEGIN AT THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SAID SECTION 17; THENCE N89°49'37"E ALONG THE NORTH LINE OF SAID NORTHEAST QUARTER OF SECTION 17 A DISTANCE OF 739.21 FEET TO A POINT ON THE WESTERLY RIGHT-OF-WAY LINE OF YOUNG PINE ROAD. SAID WESTERLY RIGHT-OF-WAY LINE ALSO BEING A CURVE CONCAVE TO THE TO THE NORTHEAST HAVING A RADIUS OF 5782.58 FEET AND A CHORD BEARING OF S17°32'19"E; THENCE SOUTHEASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 01°24'00" A DISTANCE OF 141.28 FEET TO THE POINT OF CUSP OF A CURVE CONCAVE TO THE SOUTHWEST HAVING A RADIUS OF 35.00 FEET AND A CHORD BEARING OF N63°20'49"W; THENCE WESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 90°12'33" A DISTANCE OF 55.11 FEET; THENCE S71°32'34"W, 30.82 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE SOUTHEAST HAVING A RADIUS OF 25.00 FEET AND A CHORD BEARING OF S26°32'35"W; THENCE SOUTHERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 90°00'00" A DISTANCE OF 39.27 FEET; THENCE S18°27'25"E, 10.57 FEET; THENCE S70°08'18"W, 45.83 FEET; THENCE N22°02'37"W, 7.49 FEET; THENCE S67°57'23"W, 113.13 FEET; THENCE S18°14'19"E ALONG A LINE LYING 250.00 FEET WESTERLY OF AND PARALLEL WITH THE AFOREMENTIONED WESTERLY RIGHT-OF-WAY LINE OF YOUNG PINE ROAD A DISTANCE OF 1169.31 FEET; THENCE S18°14'40"E, 79.78 FEET; THENCE S82°01'34"W, 371.01 FEET; THENCE S45°01'34"W, 340.00 FEET; THENCE S89°52'30"W, 500.00 FEET; THENCE S00°07'30"E, 242.92 FEET TO A POINT ON THE NORTH LINE OF THE SOUTH 500 FEET OF THE NORTH HALF OF SAID SECTION 17; THENCE S89°52'41"W ALONG SAID NORTH LINE 1820.88 FEET TO A POINT ON THE EASTERLY RIGHT-OF-WAY LINE OF THE EASTERN BELTWAY (STATE ROAD 417); THENCE N14°45'30"W, 651.24 FEET; THENCE N12°58'31"W, 177.05 FEET; THENCE N11°03'41"W, 194.10 FEET; THENCE N09°03'36"W, 194.27 FEET; THENCE N07°03'32"W, 121.56 FEET. THE PREVIOUS FIVE DESCRIBED COURSES BEING COINCIDENT WITH SAID EASTERLY RIGHT-OF-WAY LINE OF SAID EASTERN BELTWAY; THENCE N00°16'13"E, 850.12 FEET TO A POINT ON THE NORTH LINE OF THE NORTHWEST QUARTER OF SAID SECTION 17; THENCE N89°41'53"E ALONG SAID NORTH LINE 2206.33 FEET TO THE POINT OF BEGINNING.



EXHIBIT B

A PARCEL OF LAND LYING IN SECTION 17, TOWNSHIP 23 SOUTH, RANGE 31 EAST ORANGE COUNTY, FLORIDA. BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGIN AT THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SAID SECTION 17; THENCE N89°49'37"E ALONG THE NORTH LINE OF SAID NORTHEAST QUARTER OF SECTION 17 A DISTANCE OF 739.21 FEET TO A POINT ON THE WESTERLY RIGHT-OF-WAY LINE OF YOUNG PINE ROAD. SAID WESTERLY RIGHT-OF-WAY LINE ALSO BEING A CURVE CONCAVE TO THE TO THE NORTHEAST HAVING A RADIUS OF 5782.58 FEET AND A CHORD BEARING OF S17°32'19"E; THENCE SOUTHEASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 01°24'00" A DISTANCE OF 141.28 FEET; THENCE S18°14'19"E, 232.99' TO THE POINT OF CUSP OF A CURVE CONCAVE TO THE SOUTHWEST HAVING A RADIUS OF 35.00 FEET AND A CHORD BEARING OF N63°20'49"W; THENCE WESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 90°12'33" A DISTANCE OF 55.11 FEET; THENCE S71°32'34"W, 30.82 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE SOUTHEAST HAVING A RADIUS OF 25.00 FEET AND A CHORD BEARING OF S26°32'35"W; THENCE SOUTHERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 90°00'00" A DISTANCE OF 39.27 FEET; THENCE S18°27'25"E, 10.57 FEET; THENCE S70°08'18"W, 45.83 FEET; THENCE N22°02'37"W, 7.49 FEET; THENCE S67°57'23"W, 113.13 FEET; THENCE S18°14'19"E ALONG A LINE LYING 250.00 FEET WESTERLY OF AND PARALLEL WITH THE AFOREMENTIONED WESTERLY RIGHT-OF-WAY LINE OF YOUNG PINE ROAD A DISTANCE OF 1169.31 FEET; THENCE S18°14'40"E, 79.78 FEET; THENCE S82°01'34"W, 371.01 FEET; THENCE S45°01'34"W, 340.00 FEET; THENCE S89°52'30"W, 500.00 FEET; THENCE S00°07'30"E, 249.92 FEET TO A POINT ON THE NORTH LINE OF THE SOUTH 500 FEET OF THE NORTH HALF OF SAID SECTION 17; THENCE S89°52'41"W ALONG SAID NORTH LINE 1139.58 FEET; THENCE N00°07'19"W, 48.54 FEET; THENCE N81°32'09"E, 81.20 FEET; THENCE N74°44'23"E, 53.25 FEET; THENCE N58°57'41"E, 70.26 FEET; THENCE N40°07'47"E, 57.69 FEET; THENCE N33°36'42"E, 40.00 FEET; THENCE N34°21'39"E, 196.60 FEET; THENCE N33°07'53"E, 129.19 FEET; THENCE N19°52'50"E, 63.47 FEET; THENCE N06°43'46"E, 39.56 FEET; THENCE N01°41'09"E, 33.93 FEET; THENCE N90°00'00"W, 145.06 FEET; THENCE N01°41'21"E, 5.15 FEET; THENCE N88°15'02"W, 440.82 FEET; THENCE N02°41'52"E, 912.05 FEET; THENCE N60°47'44"E, 292.28 FEET; THENCE N29°12'16"W, 34.98 FEET; THENCE N61°25'13"E, 146.24 FEET; THENCE N29°28'21"W, 101.43 FEET; THENCE N29°27'53"W, 166.92 FEET; THENCE N26°11'39"W, 89.55 FEET; THENCE N17°53'09"W, 63.47 FEET; THENCE N54°23'05"W, 35.59 FEET TO THE NORTH LINE OF THE NORTHWEST QUARTER OF THE AFORESAID SECTION 17; THENCE N89°41'53"E ALONG SAID NORTH LINE 1174.32 FEET TO THE POINT OF BEGINNING. SAID LANDS LYING IN ORANGE COUNTY, FLORIDA.



ARTICLES OF INCORPORATION
OF
WATERSIDE HOMEOWNERS ASSOCIATION OF ORANGE COUNTY, INC.

In compliance with the requirements of Chapter 617, *Florida Statutes*, the undersigned, all of whom are residents of the State of Florida and all of whom are of full age, have this day voluntarily associated themselves together for the purposes of forming a corporation not for profit and do hereby certify:

ARTICLE I
NAME

The name of the corporation is Waterside Homeowners Association of Orange County, Inc., hereinafter called the "Association."

ARTICLE II
PRINCIPAL OFFICE

The principal office of the Association is located at 6250 Hazeltine National Drive, Suite 102, Orlando, FL 32822.

ARTICLE III
DEFINITIONS

The following words shall have the definitions set forth below for purposes of these Articles:

- 3.1 "Articles" shall mean these Articles of Incorporation.
- 3.2 "Association" shall mean and refer to Waterside Homeowners Association of Orange County, Inc., a Florida corporation not for profit, and its successors and assigns.
- 3.3 "Board" or "Board of Directors" shall mean the Board of Directors of the Association.
- 3.4 "Bylaws" shall mean the Bylaws of the Association.
- 3.5 "Common Expenses" shall mean the expenses and charges described in the Declaration incurred or to be incurred by the Association and assessed or to be assessed upon the Owners.
- 3.6 "Declarants" shall mean collectively D.R. Horton, Inc., a Delaware corporation, its successors and assigns.
- 3.7 "Declaration" shall mean that certain Declaration of Covenants and Restrictions for Waterside Subdivision, made by the Declarants to be recorded in the Public Records of Orange County, Florida, as the same may be modified or amended from time to time.



3.8 "Development" shall mean and refer to the real property described in, and subject to the Declaration.

3.9 "Member" shall mean the owner of lots which are the subject of the Covenants and Restrictions of Waterside Subdivision.

3.10 "Owner" shall mean and refer to the record owner, whether one (1) or more persons or entities, of the fee simple title to any "Residential Lot" or "Undeveloped Lot," as defined in the Declaration, which is part of the Development.

Unless otherwise indicated, all capitalized forms herein shall have the meanings set forth in Article I of the Declaration.

ARTICLE IV
RESIDENT AGENT

David Auld, whose address is 6250 Hazeltine National Drive, Suite 102, Orlando, FL 32822, is hereby appointed the initial Resident Agent of this Association.

ARTICLE V
PURPOSE AND POWERS OF THE ASSOCIATION

5.1 This Association does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes of which it is formed are to provide for maintenance, preservation and architectural control of the residence Lots of Dwelling Units and Common Area within that certain tract of property described as follows:

SEE EXHIBIT "A" ATTACHED HERETO

The above described property is the same as the property referred to in the Declaration of Covenants, Conditions and Restrictions, recorded or to be recorded in the Public Records of Orange County, Florida.

and to promote the health, safety and welfare of the residents within the above-described property and any additions thereto as may hereafter be brought within the jurisdiction of this Association, and for this purpose to:

(a) exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in that certain Declaration of Covenants, Conditions and Restrictions, hereinafter called the "Declaration," applicable to the property and recorded or to be recorded in the Public Records of Orange County, Florida, and as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth at length;

(b) fix, levy, collect and enforce payment by any lawful means, all charges or



assessments pursuant to the terms of the Declaration; to pay all expenses, including assessments thereon, therewith and all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association;

(c) acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association;

(d) borrow money, and with the assent of two-thirds (2/3) of each class of members mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

(e) dedicate, sell or transfer all or any part of the Common Area to any public agency, authority, or unity for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument has been signed by two-thirds (2/3) of each class of members, agreeing to such dedication, sale or transfer;

(g) operate, maintain and manage the surface water or stormwater management system(s) in a manner consistent with St. Johns River Water Management District permits No. 12-095-0119 requirements and applicable District rules, and shall assist in the enforcement of the restrictions and covenants contained therein.

(h) levy and collect adequate assessments against members of the Association for the costs of maintenance and operation of the surface water or stormwater management system.

5.2 All assessments shall be used for those purposes permitted by the covenants, conditions and restrictions for Waterside Subdivision and for the maintenance and repair of the surface water or stormwater management systems including but not limited to work within retention areas, drainage structures and drainage easements.

ARTICLE VI
MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided fee interest in any Lot or Dwelling Unit which is subject by covenants of record to assessment by the Association, including contract sellers, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot or Dwelling Unit which is subject to assessment by the Association.

ARTICLE VII
VOTING RIGHTS

The Association shall have two classes of voting membership:



Class A. Class A members shall be all Owners, with the exception of the Declarant, and shall be entitled to one vote for each Lot or Dwelling Unit owned. When more than one person holds an interest in any Lot or Dwelling Unit, all such persons shall be members. The vote for such Lot or Dwelling Unit shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot or Dwelling Unit.

Class B. The Class B member(s) shall be the Declarant (as defined in the Declaration), and shall be entitled to nine (9) votes for each Lot or Dwelling Unit owned. The Class B membership shall cease and be converted to Class A Membership on the happening of either of the following events, whichever occurs earlier:

- (a) When the number of Class A votes equal the number of Class B votes; or
- (b) on January 1, 2012.

ARTICLE VIII
BOARD OF DIRECTOR

The affairs of this Association shall be managed by a Board of three (3) Directors, who need not be members of the Association, and the number of directors may be changed by amendment of the Buyers of the Association. The names and addresses of the persons who are to act in the capacity of directors until the selection of their successors are:

David Auld	6250 Hazeltine National Drive, Ste. 102 Orlando, Florida 32822
Kim Howard	6250 Hazeltine National Drive, Ste. 102 Orlando, Florida 32822
Robert Lawson	6250 Hazeltine National Drive, Ste. 102 Orlando, Florida 32822

At the first annual meeting the members shall elect three directors for a term of one year or until their successors are elected.

At each annual meeting thereafter the members shall elect directors for a term of two years each or until their successors are elected.

ARTICLE IX
OFFICERS

The affairs of the Association shall be administered by the officers designated in the Bylaws. The officers shall be elected by the Board of Directors at its first meeting following the annual meeting of the members of the Association, and they shall serve at the pleasure of the Board of



Directors. The names and addresses of the officers who shall serve and the duties assigned to them as designed by the Board of Directors are as follows:

Name and Office

Kim Howard, President 6250 Hazeltine National Drive, Ste. 102
Orlando, Florida 32822

Robert Lawson, Vice President 6250 Hazeltine National Drive, Ste. 102
Orlando, Florida 32822

David Auld, Treasurer 6250 Hazeltine National Drive, Ste. 102
Orlando, Florida 32822

ARTICLE X
INDEMNIFICATION

10.1 Indemnification. Every director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding whether civil, criminal, administrative or investigative, or any settlement of any proceeding, or any appeal from such proceeding to which he may be a party or in which he may become involved by reason of his being or having been a director or officer of any other corporation, or having served at the Association's request as a director or officer of any other corporation, whether or not he is a director or officer at the time such expenses are incurred, regardless of by whom the proceeding was brought, except in relation to matters as to which any such director or officer shall be adjudged liable for gross negligence or willful misconduct, provided that in the event of a settlement, the indemnification shall apply only when the Board of Directors of the Association approves such settlement and reimbursement as being for the best interest of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled.

10.2 Expenses of Lawsuits. Expenses incurred in defending a suit or proceeding whether civil, criminal, administrative or investigative may be paid by the Association in advance of the final disposition of such action, suit or proceeding if authorized by all of the noninterested directors upon receipt of an undertaking by or on behalf of the director or officer to repay such amount if it shall ultimately be determined that he is not to be indemnified by the Association as authorized by these Articles of Incorporation.

10.3 Insurance. The Association shall have the power to purchase at its expense and maintain insurance on behalf of any person who is or was a director or officer of the Association, against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Association would have the power to indemnify him against such liability under the provisions of these Articles.

ARTICLE XI
AMENDMENTS


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Orange Co FL 2001-0434387

Amendments to these Articles of Incorporation shall be made in the following manner:

11.1 Resolution. The Board of Directors shall adopt a resolution setting forth the proposed amendment and directing that it be submitted to a vote at a meeting of members which may be either the annual or a special meeting.

11.2 Notice. Within the time and in the manner provided in the Bylaws for the giving of notice of meetings of members, written notice setting forth the proposed amendment or a summary of the changes to be effected thereby shall be given to each Member of record entitled to vote thereon. If the meeting is an annual meeting, the proposed amendment or such summary may be included in the notice of such annual meeting.

11.3 Vote. At such meeting, a vote of the Members entitled to vote thereon shall be taken on the proposed amendment. The proposed amendment shall be adopted upon receiving the affirmative vote of two-thirds (2/3) of each class of Members entitled to vote thereon.

11.4 Multiple Amendments. Any number of amendments may be submitted to the Members and voted upon by them at one meeting.

11.5 Agreement. If two-thirds (2/3) of each class of Members entitled to vote, as provided above, sign a written statement manifesting their intention that an amendment to these Articles be adopted, then the amendment shall thereby be adopted as though subsections 13.1 through 13.3 had been satisfied.

11.6 Action Without Directors. The Members may amend these Articles without an act of the directors at a meeting for which notice of the changes to be made are given.

11.7 Limitations. No amendment shall make any changes in the qualifications for members nor the voting rights of Members without the unanimous approval in writing by all Members. No amendment shall be made that this is in conflict with the Declaration.

11.8 Filing. A copy of each amendment shall be certified by the Secretary of State, State of Florida, and be recorded in the Public Records of Seminole County, Florida.

11.9 Dissolution. In the event the Association is dissolved, the assets of the Association shall be dedicated to a public body or conveyed to a non-profit organization with a purpose similar to the Association.

11.10 FHA/VA Approval. As long as there is a Class B member, the following shall require approval of either the Federal Housing Administration or the Veterans Administration: Annexation of additional properties other than the Additional Property referred to in the Declaration, mortgaging of common areas, mergers, consolidations or dissolution of the Association or amendment of these Articles of Incorporation, other than amendments to correct ambiguities or scrivener's errors.

ARTICLE XII
EXISTENCE DURATION

The corporation shall commence upon filing these Articles of Incorporation with the Florida Secretary of State, Division of Corporations, and shall exist in perpetuity.

ARTICLE XIII
BYLAWS

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

ARTICLE XIV
DISSOLUTION

14.1 The Association may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of each class of members. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association may be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust, or other organization to be devoted to such similar purposes.

14.2 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 40C-42.027, F.A.C., and be approved by the St. Johns River Water Management District prior to such termination, dissolution or liquidation.

ARTICLE XV
MERGERS AND CONSOLIDATIONS

15.1 Subject to the provisions of the Declaration and to the extent permitted by law, the Association may participate in mergers and consolidations with other non-profit corporations organized for the same purposes, provided that any such merger or consolidation shall required two-thirds (2/3) of the votes of each class of Members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be mailed to all Members at least thirty (30) days in advance and shall set forth the purpose of the meeting.

ARTICLE XVI
INCORPORATOR

The name and address of the Incorporator to these Articles of Incorporation are as follows:



OR Bk 6355 Pg 5024
Orange Co FL 2001-0434387

Name

Address

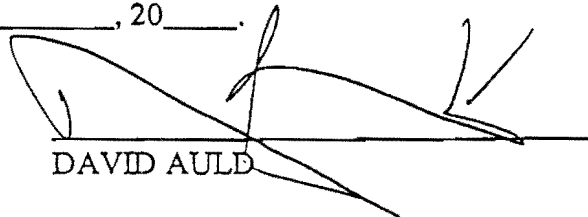
DAVID AULD

6250 Hazeltine National Drive, Suite 102
Orlando, FL 32822

ARTICLE XVII
NON-STOCK CORPORATION

The Association is organized on a non-stock basis and shall not issue shares of stock evidencing membership in the Association.

IN WITNESS WHEREOF, the undersigned Incorporator has caused these presents to be executed as of the 29th day of JUNE, 2001.



DAVID AULD

STATE OF FLORIDA,
COUNTY OF SEMIOLA

The foregoing instrument was acknowledged before me, an officer duly authorized in the State and County aforesaid, to take acknowledgments, this 29th day of JUNE, 2001, by DAVID AULD, who is personally known to me or has produced _____ as identification.

(SEAL)



Notary Public, State of Florida





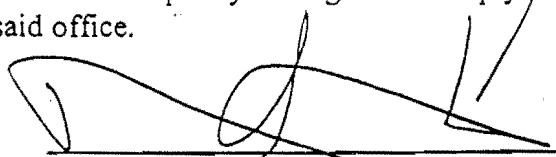
CERTIFICATE DESIGNATING REGISTERED ^{BR} Bk 6355 Pg 5025
AGENT FOR SERVICE OF PROCEEDINGS Orange Co FL 2001-0434387

Pursuant to Chapters 48 and 617, *Florida Statutes*, the following is submitted in compliance with said Acts.

Waterside Homeowners Association of Orange County, Inc., desiring to organize as a corporation under the laws of the State of Florida, with its registered office at 6250 Hazeltine National Drive, Suite 102, Orlando, FL 32822, has named DAVID AULD, located at the above registered office, as its Registered Agent to accept service of process within this State.

ACKNOWLEDGMENT:

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



DAVID AULD, Registered Agent

Dated: June 29, 2001



EXHIBIT A

A PARCEL OF LAND LYING IN SECTION 17, TOWNSHIP 23 SOUTH, RANGE 31 EAST ORANGE COUNTY, FLORIDA. BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:
BEGIN AT THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SAID SECTION 17; THENCE N89°49'37"E ALONG THE NORTH LINE OF SAID NORTHEAST QUARTER OF SECTION 17 A DISTANCE OF 739.21 FEET TO A POINT ON THE WESTERLY RIGHT-OF-WAY LINE OF YOUNG PINE ROAD. SAID WESTERLY RIGHT-OF-WAY LINE ALSO BEING A CURVE CONCAVE TO THE TO THE NORTHEAST HAVING A RADIUS OF 5782.58 FEET AND A CHORD BEARING OF S17°32'19"E; THENCE SOUTHEASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 01°24'00" A DISTANCE OF 141.28 FEET TO THE POINT OF CUSP OF A CURVE CONCAVE TO THE SOUTHWEST HAVING A RADIUS OF 35.00 FEET AND A CHORD BEARING OF N63°20'49"W; THENCE WESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 90°12'33" A DISTANCE OF 55.11 FEET; THENCE S71°32'34"W, 30.82 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE SOUTHEAST HAVING A RADIUS OF 25.00 FEET AND A CHORD BEARING OF S26°32'35"W; THENCE SOUTHERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 90°00'00" A DISTANCE OF 39.27 FEET; THENCE S18°27'25"E, 10.57 FEET; THENCE S70°08'18"W, 45.83 FEET; THENCE N22°02'37"W, 7.49 FEET; THENCE S67°57'23"W, 113.13 FEET; THENCE S18°14'19"E ALONG A LINE LYING 250.00 FEET WESTERLY OF AND PARALLEL WITH THE AFOREMENTIONED WESTERLY RIGHT-OF-WAY LINE OF YOUNG PINE ROAD A DISTANCE OF 1169.31 FEET; THENCE S18°14'40"E, 79.78 FEET; THENCE S82°01'34"W, 371.01 FEET; THENCE S45°01'34"W, 340.00 FEET; THENCE S89°52'30"W, 500.00 FEET; THENCE S00°07'30"E, 242.92 FEET TO A POINT ON THE NORTH LINE OF THE SOUTH 500 FEET OF THE NORTH HALF OF SAID SECTION 17; THENCE S89°52'41"W ALONG SAID NORTH LINE 1820.88 FEET TO A POINT ON THE EASTERLY RIGHT-OF-WAY LINE OF THE EASTERN BELTWAY (STATE ROAD 417); THENCE N14°45'30"W, 651.24 FEET; THENCE N12°58'31"W, 177.05 FEET; THENCE N11°03'41"W, 194.10 FEET; THENCE N09°03'36"W, 194.27 FEET; THENCE N07°03'32"W, 121.56 FEET. THE PREVIOUS FIVE DESCRIBED COURSES BEING COINCIDENT WITH SAID EASTERLY RIGHT-OF-WAY LINE OF SAID EASTERN BELTWAY; THENCE N00°16'13"E, 850.12 FEET TO A POINT ON THE NORTH LINE OF THE NORTHWEST QUARTER OF SAID SECTION 17; THENCE N89°41'53"E ALONG SAID NORTH LINE 2206.33 FEET TO THE POINT OF BEGINNING.



BYLAWS
OF
WATERSIDE HOMEOWNERS ASSOCIATION OF ORANGE COUNTY, INC.

1. Definitions. When used in these Bylaws, the terms defined in the Articles of Incorporation of Waterside Homeowners Association of Orange County, Inc. ("the Articles") shall have the same meanings as defined in the Articles.

2. Identity. These are the Bylaws of Waterside Homeowners Association of Orange County, Inc., a corporation not for profit organized pursuant to Chapter 617, Florida Statutes ("the Association").

2.1 Office. The office of the Association shall be located at 620 Hazelton Drive, Suite 102, Orlando, Florida 32822, or at such other place as may be designated from time to time by the Board of Directors.

2.2 Fiscal Year. The fiscal year of the Association shall be the calendar year.

2.3 Seal. The seal of the Association shall bear the name of the corporation, the word, "Florida", the words, "Corporation Not For Profit", and the year of incorporation.

3. Members.

3.1 Membership. Every person or entity who is a record owner of a fee or undivided fee interest in any Lot or Dwelling Unit which is subject by covenants of record to assessment by the Association, including contract sellers, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot or Dwelling Unit which is subject to assessment by the Association.

3.2 Class of Members. There shall be two classes of members.

3.2.1 Class A Members. Class A members shall be all Owners of Lots, with the exception of the Declarant, and shall be entitled to one vote for each Lot or Dwelling Unit owned. When more than one person holds an interest in any Lot or Dwelling Unit, all such persons shall be members. The vote for such Lot or Dwelling Unit shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot or Dwelling Unit.

3.2.2 Class B Members. The Class B member(s) shall be the Declarant (as defined in the Declaration), and shall be entitled to nine (9) votes for each Lot or Dwelling Unit owned. The Class B membership shall cease and be converted to Class A Membership on the happening of either of the following events, whichever occurs earlier:

- (a) When the number of Class A votes equals the number of Class B votes; or



(b) On January 1, 2012.

4. Members' Meetings.

4.1 Annual Members' Meetings. The first annual meeting of the Members shall be held on the date, at the place and at the time as determined by the Board of Directors; provided, however, that said meeting shall be held, to the extent possible, within one (1) year from the date of incorporation of the Association. Thereafter, the annual meeting of the Association shall be held on the anniversary date of the first annual meeting; provided, however, that should the anniversary date fall on a legal holiday, then such annual meeting of the Members shall be held on the next day thereafter which is not a legal holiday. At each annual meeting there shall be elected by ballot of the Members a Board of Directors in accordance with the requirements of these Bylaws. At the first annual meeting, the Directors shall be elected to serve until the second annual meeting; and at the second annual meeting, Directors shall be elected for a term of one (1) year beginning with the second annual meeting. Unless a Director resigns before the expiration of his term of office, each Director shall hold his office until his successor has been elected and the first meeting involving such successor is held. The term of office of any Director elected to fill a vacancy created by the resignation of his predecessor shall be the balance of the unserved term of his predecessor. The Members may also transact such other business of the Association as may properly come before them.

4.2 Special Members' Meetings. Special meetings of the Members may be called by any one of the following persons or groups:

- (a) The Board of Directors;
- (b) The holders of not less than twenty-five percent (25%) of all of the votes entitled to be voted at the meeting; or
- (c) The Declarant.

4.3 Notice of All Meetings of Members. Written notice stating the place, day, and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called shall be delivered to each Member entitled to vote at such meeting not less than ten (10) or more than sixty (60) days before the date of the meeting, either personally or by first-class mail, by or at the direction of the President, Secretary, or the officer or persons calling the meeting. If the notice is mailed at least thirty (30) days before the date of the meeting, it may be done by a class of United States mail other than first class. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the Member at its address as it appears on the books of the Association, with postage thereon prepaid.

4.4 Quorum. A quorum at Members' meetings shall consist of a majority of all votes in the Association, whether recognized in person or by proxy. If a quorum is present, the affirmative vote of a majority of votes represented at a meeting and entitled to vote on the subject matter shall constitute the acts of the Members, except when approval by a greater number of

Members is required by the Declaration, these Bylaws or the Articles. ~~Orange Co. FL 2001-0434~~ When a specified item of business is required to be voted upon by a particular class of Members, a majority of the votes of such call of Members shall constitute a quorum for the transaction of such item of business by that class. After a quorum has been established at a Members' meeting, the subsequent withdrawal of Members so as to reduce the number of votes at the meeting below the number required for a quorum shall not affect the validity of any action taken at the meeting or any adjournment thereof.

4.5 Proxies. Every Member entitled to vote at a meeting of members or to express consent or dissent without a meeting, or his duly authorized attorney-in-fact, may authorize another person or persons to act for him by proxy. Every proxy must be signed by the Member or his attorney-in-fact. No proxy shall be valid after the expiration of eleven (11) months from the date thereof unless otherwise provided in the proxy. Every proxy shall be revocable at the pleasure of the Member executing it.

4.6 Adjourned Meetings. When a meeting is adjourned to another time or place, it shall not be necessary to give any notice of the adjourned meeting if the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken, and any business may be transacted at the adjourned meeting that might have been transacted on the original date of the meeting. If, however, after the adjournment the Board fixes a new record date for the adjournment meeting, a notice of the adjourned meeting shall be given in compliance with these Bylaws to each Member on the new record date entitled to vote at such meeting.

4.7 Minutes of Meetings. The Association shall maintain minutes of each meeting of the membership and the Board of Directors in a businesslike manner. The minutes shall be kept in a book available for inspection by Members or their authorized representatives at any reasonable time. The Association shall retain these minutes for a period of not less than seven (7) years.

5. Board of Directors.

5.1 Number. The affairs of the Association shall be managed by a Board initially consisting of three (3) directors. The number of members may be increased or decreased from time to time by amendment to these Bylaws; provided, however, the established number of Board members shall always be an odd number. In the event that the number of members of the Board of Directors is changed, such change in number shall be implemented in such a manner as to have as nearly equal in number as possible the number of directors whose terms expire in any given year. All directorships shall expire during any given three (3) year period.

5.2 Term of Office. As provided in the Articles, the Members shall elect the directors for terms of one (1) year each. Each director shall hold office for the term for which he is elected and until his successor shall have been elected and qualified or until his earlier resignation, removal from office or death.

5.3 Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the Members. In the event of death, resignation or removal of a director,



his successor shall be selected by the remaining Members of the Board and shall serve for the unexpired term of his predecessor.

5.4 Directors' Fees. Directors shall serve without compensation or fees; provided, however, nothing herein shall be deemed to prevent reimbursement of out-of-pocket expenses approved by the Board and incurred on behalf of the Association.

5.5 Election. Election to the Board of Directors shall be by written ballot as hereinafter provided. At such election, the Members or their proxies may cast, in respect of each vacancy, as many votes as they are entitled under the provisions of the Articles. The names receiving the largest number of votes for each vacancy shall be elected.

5.6 Nominations. Nominations for election to the Board of Directors shall be made by a Nominating Committee which shall be one of the standing committees of the Association.

5.7 Nominating Committee. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each such annual meeting.

5.8 Duties of Nominating Committee. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among Members or other persons, as the Committee in its discretion shall determine. Separate nominations shall be made for each vacancy to be filled. Nominations shall be placed on a written ballot as provided in Section 5.9 and shall be made in advance of the time fixed in Section 5.9 for the mailing of such ballots to Members.

5.9 Ballots. All elections to the Board of Directors shall be made on written ballot which shall: (a) describe the vacancies to be filled; (b) set forth the names of those nominated by the Nominating Committee for each such vacancy; and (c) contain a space for a write-in vote by the Members for each vacancy. Such ballots shall be prepared and mailed by the Secretary to the Members at least fourteen (14) days in advance of the date set forth therein for a return (which shall be a date not later than the day before the meeting at which the vote is to be taken).

5.10 Ballots. Each Member entitled to vote shall receive one ballot which shall indicate thereon the number of votes which may be cast by such Member. The completed ballots shall be returned as follows: Each ballot shall be placed in a sealed envelope marked "Ballot" but not marked in any other way. Each such "Ballot" envelope shall contain only one ballot, and the Members shall be advised that, because of the verification procedures of Section 5.11, the inclusion of more than one ballot in any one "Ballot" envelope shall disqualify the return. Such "Ballot" envelope shall be placed in another sealed envelope which shall bear on its face the name and signature of the Member or his proxy, the number of ballots being returned, and such other information as the Board of Directors may determine will serve to establish such Member's right to



cast the vote or votes presented in the "Ballot" or "Ballots" contained therein. The ballots shall be returned to the Secretary at the address of the Association.

5.11 Election Committee; Counting of Ballots. Upon receipt of each return, the Secretary shall immediately place it in a safe or other locked place until the day set for the meeting at which the elections are to be held. On that day, the unopened external envelopes containing the "Ballot" envelopes shall be turned over to an Election Committee which shall consist of three (3) members appointed by the Board of Directors. The Election Committee shall then:

- (a) establish that external envelopes were not previously opened or tampered with in any way; and
- (b) open the external envelopes to establish that the number of envelopes therein marked "Ballot" corresponds to the number of ballots allowed to the Member or his proxy identified on the external envelope; and
- (c) confirm that the signature of the Member or his proxy on the outside envelope appears genuine; and
- (d) if, the vote is by proxy, determine that a proxy has been filed with the Secretary.

Such procedure shall be taken in such manner that the vote of any Member or his proxy shall not be disclosed to anyone.

The opened external envelopes shall thereupon be placed in a safe or other locked place and the Election Committee shall proceed to the opening of the "Ballot" envelopes and the counting of the votes. If any "Ballot" envelope is found to contain more than one ballot, all such ballots shall be disqualified and shall not be counted. Ballots shall be retained for such period of time after the election as shall be deemed prudent by the Board of Directors.

6. Meetings of Directors.

6.1 Regular Meetings. Regular meetings of the Board of Directors shall be held at least semi-annually and may be held quarterly with notice of such place and hour as may be fixed from time to time by resolution of the Board. If the day for such regular meeting is a legal holiday, then the meeting shall be held at the same time on the next day that is not a legal holiday.

6.2 Special Meetings. Special meetings of the Directors may be called by the Chairman of the Board, by the President of the Association, or by any two (2) directors. Not less than two (2) days' notice of the special meeting shall be given to each director personally or by first-class mail, telegram, or cablegram, which notice shall state the time, place and purpose of the meeting. Except in the case of any emergency, notice of such meetings shall be posted conspicuously on the Properties forty-eight (48) hours in advance for the attention of Members. All special meetings of the Board of Directors shall be open to the Members.



6.3 Action Taken Without a Meeting. The transaction of any business, by a meeting of the Board of Directors, however called and noticed, or whatever held, shall be as valid as though made at a meeting duly held after regular call and notice if a quorum is present and, if either before or after the meeting, each of the directors not present signs a written waiver of notice, or a consent to the holdings of such meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the Association's records and made a part of the minutes of the meeting. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

6.4 Defects in Notice, etc. Waived by Attendance. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting and a waiver of any and all objections to the place of the meeting, the time of the meeting, or the manner in which it has been called or convened, except when a director states, at the beginning of the meeting, any objection to the transaction of business because the meeting is not lawfully called or convened. Members of the Board of Directors may participate in a meeting of such Board by means of a conference telephone or similar communications equipment by means of which all person participating in the meeting can hear each other at the same time. Participation by such means shall constitute presence in persons at a meeting.

6.5 Quorum. A quorum at directors' meetings shall consist of a majority of all votes of the entire Board of Directors. The acts approved by a majority of those votes represented at a meeting at which a quorum is present shall constitute the act of the Board of Directors, except where approval by a greater number of directors is required by the Declaration, the Articles, or these Bylaws.

6.6 Adjourned Meetings. A majority of the directors present, whether or not a quorum exists, may adjourn any meeting of the Board of Directors to another time and place. Notice of any such adjourned meeting shall be given to the directors who were not present at the time of the adjournment and, unless the time and place of the adjourned meeting are announced at the time of the adjournment, to the other directors.

6.7 Action by Directors Without a Meeting. Any action required to be taken at a meeting of the directors or a committee thereof, may be taken without a meeting if a consent in writing setting forth the action so to be taken signed by all of the directors or all the members of the committee, as the case may be, is filed in the minutes of the proceedings of the Board or of the committee. Such consent shall have the same effect as a unanimous vote.

6.8 Presiding Officer. The presiding officer of directors meetings shall be the President. In the absence of the President, the Vice President shall preside, and in the absence of the both, the directors shall designate one of their number to preside.

6.9 Powers and Duties of Board of Directors. All of the powers and duties of the Association existing under Chapter 617, Florida Statutes, the Declaration, the Articles, and these



Bylaws, shall be exercised by the Board of Directors, subject only to approval by the Board, if such is specifically required.

7. Officers.

7.1 Officers and Election. The executive officers of the Association shall be a President, a Vice-President, a Treasurer and a Secretary, each of whom shall be elected annually by the Board of Directors and who may be peremptorily removed by vote of the directors at any meeting. Any person may hold two or more offices except that the President shall not also be the Secretary. The Board of Directors shall from time to time elect such other officers and designate their powers and duties as the Board shall find necessary or convenient to manage properly the affairs of the Association.

7.2 President. The President shall be the chief executive officer of the Association. He shall have all of the powers and duties which are usually vested in the office of President of an Association, including but not limited to the power to appoint committees from among the Members from time to time as he may in his discretion determine appropriate to assist in the conduct of the affairs of the Association. He shall serve a chairman of all Members' meetings.

7.3 Vice President. The Vice President shall, in the absence or disability of the President, exercise the powers and perform the duties of the President. He shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the directors.

7.4 Secretary. The Secretary shall keep the minutes of all proceedings of the directors and the Members. He shall attend to the giving and serving of all notices to the Members and directors and other notices required by law. He shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of Secretary of an Association and as may be required by the directors or the President. The duties of the Secretary may be fulfilled by a manager employed by the Association.

7.5 Treasurer. The Treasurer shall have custody of all property of the Association, including funds, securities, and evidences of indebtedness. He shall keep the books of the Association in accordance with good accounting practices and provide for collection of assessments; and he shall perform all other duties incident to the office of Treasurer. The duties of the Treasurer may be fulfilled by a manager employed by the Association.

7.6 Compensation. The compensation, if any, of the officers shall be fixed by the Board of Directors.

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



9. Fiscal Management. The provisions for fiscal management of the Association set forth in the Declaration shall be supplemented by the following provisions.

9.1 Accounts. The receipts and expenditures of the Association shall be credited and charged to accounts under the following classifications and any other classifications as shall be appropriate, when authorized and approved by the Board of Directors. The receipts shall be entered by the amounts of receipts by accounts and receipt classifications, and expenses by the amounts of expenses by accounts and expense classifications.

9.1.1 Current Expense. The current expense account shall include all receipts and expenditures to be made within the year for which the expenses are budgeted and may include a reasonable allowance for contingencies and working funds. The balance in this fund at the end of each year shall be applied to reduce the assessments for current expense for the succeeding year or to fund reserved. This may include but not be limited to:

- (a) Professional, administration and management fees and expenses;
- (b) Taxes on Association property and Common Areas;
- (c) Expense for utility services and maintenance expenses relating to the Common Areas;
- (d) Insurance costs;
- (e) Administrative and salary expenses;
- (f) Operating capital; and
- (g) Other expenses.



9.1.2 Reserve for Deferred Maintenance. If required by the Board of Directors, there shall be established a reserve account for deferred maintenance which shall include funds for major maintenance items which are the obligation of the Association and which occur less frequently than annually.

9.1.3 Reserve for Replacement. If required by the Board of Directors, there shall be established a reserve account for replacement which shall include funds for repairs or replacements which the Association is obligated to make resulting from damage, depreciation or obsolescence.

9.2 Budget. The Board of Directors shall adopt an operating budget for the Property in advance for each calendar year which shall include the estimated funds required to defray the current expenses and shall provide funds for the foregoing reserves. The operating budget shall

provide separate expense and reserve figures for the Common Properties so as to permit appropriate allocation of assessments therefore among all Lots.

9.3 Depository. The depository of the Association will be such bank as shall be designated from time to time by the directors and the withdrawal of monies from such accounts shall be only by checks signed by such persons as authorized by the directors; provided, however, that the provisions of a management agreement between the Association and a manager relative to the subject matter of this section supersede the provisions hereof.

10. Parliamentary Rules. Roberts' Rules of Order (latest edition) shall govern the conduct of Association meetings, when not in conflict with these Bylaws.

11. Amendment. Amendments to these Bylaws shall be proposed and adopted in the following manner:

11.1 Resolution. The Board of Directors shall adopt a resolution setting forth the proposed amendment and directing that it be submitted to a vote at a meeting of Members, which may be either the annual or a special meeting.

11.2 Notice. Within the time and in the manner provided in these Bylaws for the giving of notice of meetings of Members, written notice setting forth the proposed amendment or a summary of the changes to be effected thereby shall be given to each Member of record entitled to vote thereon. If the meeting is an annual meeting, the proposed amendment or such summary may be included in the notice of such annual meeting.

11.3 Vote. At such meeting, a vote of the Members entitled to vote thereon shall be taken on the proposed amendment. The proposed amendment shall be adopted upon the affirmative vote of a majority of the votes of all Members entitled to vote thereon.

11.4 Multiple Amendments. Any number of amendments may be submitted to the Members and voted upon by them at one meeting.

11.5 Agreement. If all of the directors and all of the Members eligible to vote sign a written statement manifesting their intention that an amendment to these Bylaws be adopted, then the amendment shall thereby be adopted as though Subsections 11.1 through 11.3 had been satisfied.


11.6 Action Without Directors. The Members may amend these Bylaws, without an act of the directors, at a meeting for which notice of the changes to be made is given.

11.7 Recording. A copy of each amendment shall be recorded in the Public Records of Seminole County, Florida, as soon as possible after adoption.

11.8 Proviso. No amendment shall make any changes in the qualifications for membership nor the voting rights of Members without approval in writing by all Members. No

amendment shall be made that is in conflict with Chapter 617, Florida Statutes, or with the Declaration of Articles.

12. Pronouns. Whenever the context permits, the singular shall include the plural and one gender shall include all.


Secretary

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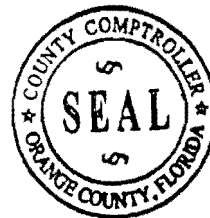


OR Bk 6355 Pg 5036
Orange Co FL 2001-0434387
Recorded - Martha O. Haynie


STATE OF FLORIDA - COUNTY OF ORANGE
I HEREBY CERTIFY that this is a copy of
the document as recorded in this office.
MARTHA O. HAYNIE, COUNTY COMPTROLLER

By: Bene Simms, D.C.

DATED: 10-01-01



Prepared by and return to:
William E. Barfield, Esquire
Higley & Barfield, P.A.
Post Office Box 151629
Altamonte Springs, FL 32715-1629


Orange Co FL 2001-0434387
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**DECLARATION OF COVENANTS AND RESTRICTIONS
FOR
WATERSIDE SUBDIVISION**

This DECLARATION OF COVENANTS AND RESTRICTIONS ("Declaration"), made and entered into this the 4TH day of September, 2001, by D.R. HORTON, INC., a Delaware corporation, hereinafter referred to as "Declarant", 6250 Hazeltine National Drive, Ste. 102, Orlando, Florida 32822.

WHEREAS, Declarant is the owner of certain real property in the County of Orange, State of Florida, which is known as WATERSIDE SUBDIVISION, which is more particularly described as follows, to-wit:

See Exhibit "A" attached hereto.

WHEREAS, the Declarant desires to develop the real property described above by creating thereon predominantly a residential community of single-family homes, Common Area, as hereafter defined, to include Conservation areas, and other common facilities for the benefit of said community; and

WHEREAS, the Declarant desires to provide for the preservation of the values and amenities of such real property, and for the maintenance of such Common Area and to this end, desires to subject the properties to the covenants, restrictions, easements, and conditions hereinafter set forth, each and all of which is and are for the benefit of such real property as hereinafter defined, and each subsequent owner of any part thereof;

WHEREAS, the Declarant has deemed it desirable, for the efficient preservation of the values and amenities in the Subdivision, as hereinafter defined, to create an agency to which should be delegated and assigned the powers of maintaining and administering the common facilities and areas, and administering and enforcing the covenants and restrictions contained in this Declaration, and collecting and disbursing the assessments and charges hereinafter created; and

WHEREAS, the Declarant has or will incorporate under the laws of the State of Florida, as a non-profit corporation, WATERSIDE HOMEOWNERS ASSOCIATION OF ORANGE COUNTY, INC., the purpose of which will be to exercise the aforesaid functions.

NOW, THEREFORE, Declarant hereby declares that the Subdivision shall be held, sold and conveyed subject to the following covenants, restrictions, easements, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the Subdivision and being binding on all parties having any right, title or interest in the Subdivision or any part thereof, their heirs, successors, and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I
DEFINITIONS

Section 1. "Association" shall mean and refer to Waterside Homeowners Association of Orange County, Inc., a Florida corporation not for profit, which is (or is to be) incorporated, its successors and assigns. Attached hereto and made a part hereof by this reference as Exhibits "C" and "D" is a copy of the Articles of Incorporation and By-Laws, respectively, for the Association.

Section 2. "Common Area" shall mean all real property (including the improvements thereto) owned by the Association, if any, for the common use and enjoyment of the Owners. The Common Area to be owned by the Association at the time of the conveyance of the first Lot includes those common areas depicted upon the Plat.

Section 3. "County" shall mean and refer to Orange County, Florida, as governed through its Board of County Commissioners. To the extent that any portion or all of the Subdivision shall be annexed into a municipality, the term "County" as applied to lands within said annexing municipality shall refer to the annexing municipality.

Section 4. "Declarant" and "Developer" shall mean and refer to D.R. Horton, Inc. a Delaware corporation, its successors and such of its assigns as to which the rights of Declarant/Developer hereunder are specifically assigned, if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development. Declarant/Developer may assign only a portion of its rights hereunder, or all or a portion of such rights in connection with appropriate portions of the Subdivision. In the event of such a partial assignment, the assignee shall not be deemed the Developer, but may exercise such rights of Developer specifically assigned to it. Any such assignment may be made on a non-exclusive basis.

Section 5. "Declaration" shall mean and refer to this instrument, the Declaration of Covenants and Restrictions for Waterside subdivision, all as amended from time to time.

Section 6. "FHA" shall mean and refer to the Federal Housing Administration, an agency of the government of the United States of America.



Section 7. “Lot” shall mean and refer to any numbered swelling Unit site or plot of land shown on the recorded Plat, with the exception of the Common Area. The word Lot shall include both the Platted sit or plot of land, and the Unit located thereon when same has been constructed.

Section 8. “Member” shall mean and refer to a member of the Association, that is, an Owner of a Lot which is subject to assessment by the Association.

Section 9. “Operation,” “Operate” or “Operated” when used in conjunction with the Stormwater Management System means and refers to the repair, paining, management, improvement, inspection, maintenance, deactivation, construction, renovation, operation, insurance, and replacement of, as well as the disconnection from or connection to, the Stormwater Management System.

Section 10. “Owner” shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Subdivision, but excluding those having such interest merely as a security for the performance of an obligation.

Section 11. “Plans” means and refers to drainage and Stormwater management plans, together with any attachments thereto and drainage calculations, for the Subdivision on file with the County or the water management district, if any.

Section 12. “Plat” shall mean and refer to the plat of Waterside Subdivision, as recorded in the Public Records of Orange County, Florida.

Section 13. “Surface Water or Stormwater Management System” means a system which is designed and constructed or implemented to control discharges which are necessitated by rainfall events, incorporating methods to collect, convey, store, absorb, inhibit, treat, use or reuse water to prevent or reduce flooding, overdrainage, environmental degradation, and water pollution or otherwise affect the quality of discharges from the system, as permitted pursuant to chapters 40c-4, 40C-40, or 40C-42, F.A.C.

Section 14. “Subdivision” shall mean and refer to that all real property depicted upon the Plat as shown thereon, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 15. “Unit” shall mean and refer to the individual residence constructed on a Lot.

Section 16. “VA” shall mean and refer to the Veterans’ Administration, an agency of the government of the United States of America.

Section 17. “Conservation Area” shall mean and refer to those areas identified as “Conservation”, Conservation Areas”, or “Conservation Easement”, as depicted on the Plat.



ARTICLE II
PROPERTY SUBJECT TO THIS DECLARATION

Section 1. Property Subject to this Declaration. The property described in Exhibit "B" is and shall be improved, transferred and occupied subject to this Declaration.

Section 2. Additional Property. Declarant shall have the right, but not the obligation, to bring within the scheme of this Declaration, as additional property, additional lands described within Exhibit "A" or any other property within the vicinity of the property subject to this Declaration, at any time within ten years from the date this Declaration is recorded, without the consent of the members of the Association or any mortgagee or other lienholder on any lot, so long as Developer is a Class B member of the Association, and provided that the Federal Housing Administration and Veterans Administration consent to such annexation, if required. Notwithstanding the foregoing, in no event shall any additional property be subject to this Declaration until such property is specifically incorporated into the scheme of this development as provided in Section 3 below. In the event additional phases of the development may become common property, said common property will, at that time, be owned and maintained by the Association.

Section 3. Method of Annexation. Additions authorized under this Article shall be made by recording a supplemental Declaration, extending the scheme of this Declaration, which shall state that it is being made pursuant to the terms of this Declaration for the purpose of annexing property to the scheme of this Declaration and extending the jurisdiction of the Association to the additional property. Said supplemental Declaration may contain such terms and provisions not inconsistent with this Declaration, as may be desirable to reflect the different character, if any, of the real property being annexed or the various housing or community style characteristics and development approaches being implemented. Upon the recording of any supplemental Declaration, the owners shall also have the right and non-exclusive easement to the use and enjoyment in and to the common properties, if any, and an obligation to contribute to the cost of operating, maintaining and insuring the additional common properties. Any supplemental Declaration recorded in accordance with the terms hereof shall be conclusive in favor of all persons who rely thereon in good faith. From and after recording of any supplemental Declaration, the additional property described herein shall be subject to the provisions of this Declaration and to the jurisdiction of the Association.

ARTICLE III
PROPERTY RIGHTS

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

a. The right of the Association to charge reasonable admission and other fees for the use of any recreational or stormwater management facility situated upon the Common Area;



b. The right of the Association to levy assessments against each Lot for the purpose of maintaining the Common Area in accordance with the restrictions on the recorded Plat and this Declaration;

c. if and as permitted by applicable Florida law, the right of the Association to suspend the voting rights and right to use of any recreational facility by an Owner for any period during which any assessment against his lot remains unpaid, and for a period not to exceed sixty (60) days for any infraction of its published Rules and Regulations;

d. the right of the Association to dedicate or transfer, subject to this Declaration, all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members; and

e. the right of the Association to adopt at any time and from time to time and enforce Rules and Regulations, including the right to fine members as hereinafter provided. Any rule and/or regulation so adopted shall apply until rescinded or modified as if originally set forth at length in this Declaration.

Section 2. Delegation of Use. Any Owner may delegate, in accordance with the Bylaws, Owner's right of enjoyment to the Common Area and facilities to the members of Owner's family, Owner's authorized tenants, or contract purchasers who reside on the property.

Section 3. Construction and Sales. There is hereby reserved to the Declarant, its designees, and such of its successors and assigns who have been expressly assigned the rights set forth in this section, including, without limitation, its sales agents and representatives, and prospective purchasers of Lots, easements over the Common Area for construction, utility lines, display, maintenance and exhibit purposes in connection with the erection of improvements and sale of Lots within the Subdivision; provided, however, that such use shall terminate upon the sale of all Lots; provided further, that no such use by the Declarant and others shall otherwise restrict the Owners in the reasonable use and enjoyment of the Common Area.

Section 4. Utility Easements. Use of the Common Area, excluding the Conservation Area, for utilities, as well as use of other utility easements as shown on the Plat, shall be in accordance with the applicable provisions of this Declaration. The Declarant and its affiliates and its and their designees shall have a perpetual easement over, upon and under the Common Area (excluding the Conservation Area) for the installation and maintenance of community and/or Cable TV and security and other communication lines, equipment and materials and other similar underground television, radio and security cables (and all future technological advances not now known) for the service to the Lots and other portions of the Subdivision.

Section 5. Other Easements. Easements are reserved over each Lot and the Common Area in favor of each other Lot and the Common Area in order to permit drainage and run-off from one Lot (and its improvements) to another Lot or Lots or to the Common Area or from the Common Area to any Lot or Lots. Easements are reserved over the Common Area in favor of each Lot and



Lot Owner, his tenants, invitees, and agent for the purpose of ingress and egress to any Lot, and any encumbrance of the Common Area be subject the foregoing easement rights.

Section 6. Ownership and Use of Common Area. The Common Area is hereby dedicated to the Association and to the nonexclusive joint and several use, in common, of the Declarant and the Owners of all Lots that may from time to time constitute part of the Subdivision and the Declarant's and such Owners' tenants, guests and invitees. Beginning from the date this Declaration is recorded, the Association shall be responsible for the maintenance of such Common Area. It is intended that all real estate taxes assessed against the Common Area shall be proportionally assessed against and payable as part of the taxes of the applicable Lots within the Subdivision. However, in the event that, notwithstanding the foregoing, any such taxes are assessed directly against the Common Area, the Association shall be responsible for the payment of the same, including taxes on any improvements and any personal property located thereon, which taxes accrue from and after the date these covenants are recorded, and such taxes shall be prorated between Declarant and the Association as of the date of such recordation. Declarant and its affiliates shall have the right from time to time to enter upon the Common Area, excluding the Conservation Area, and other portions of the Subdivision, excluding the Conservation Area, for the purpose of construction, reconstruction, repair, replacement and/or alteration of any improvements or facilities on the Common Area and other portions of the Subdivision, excluding the Conservation Area, for sales, displays and signs or for any other purpose during the period of construction and sale of any portion of the Subdivision. Without limiting the generality of the foregoing, the Declarant and its affiliates shall have the specific right to maintain upon any portion of the Subdivision sales, administrative, construction and/or offices without charge, and appropriate easements of access and use are expressly reserved unto the Declarant and its affiliates, and its and their successors, assigns, employees and contractors, for this purpose. Any obligation to complete portions of the Common Area shall, at all times, be subject and subordinate to these rights and easements and to the above-referenced activities. Accordingly, the Declarant shall not be liable for delays in such completion to the extent resulting from the above-referenced activities.

Section 7. Maintenance of Common Areas, Surface Water or Stormwater Management System. The Association shall at all times maintain in good Operation and replace, as often necessary, the Stormwater Management System, all such work to be done as specified in this Declaration or in the Plans. Maintenance of any lighting/electrical fixtures which are integral parts of the Stormwater Management System shall include and extend to payment for all electricity consumed in the operation thereof. All work pursuant to this Declaration or the Plans and all expenses incurred hereunder shall be paid for by the Association, although the Association may recoup such costs and expenses as a part of assessments or other charges (either general or special) against individual Lots. No Lot Owner may waive or otherwise escape liability for assessments by non-use of the Common Area or abandonment of the right to use the Common Area.

Section 7.1 The Association shall be responsible for the maintenance, operation and repair of the surface water or stormwater management system. Maintenance of the surface water or stormwater management system(s) shall mean the exercise of practices which allow the systems the provide drainage, water storage, conveyance or other surface water or stormwater management



capabilities as permitted by the St. Johns River Water Management District. The Association shall be responsible for such maintenance and operation. Any repair or reconstruction of the surface water or stormwater management system shall be as permitted or, if modified, as approved by the St. Johns River Water Management District.

Section 8. Operation of the Stormwater or Surface Water Management System. The Common Area, upon which the Stormwater or Surface Water Management System is situated, shall be open spaces without any structures being permitted therein, except for structures which are a part of the Stormwater Management System. The Stormwater Management System shall be operated all in accordance with the standards, conditions, and requirements set forth on the Plans and the Permit issued by St. Johns River Water Management District which standards, conditions, and requirements shall constitute minimum standards for the operation of the Stormwater Management System. At all times the Stormwater Management System shall be maintained in such a condition so that the Stormwater Management System equals or exceeds the design performance standards as shown in the drainage calculations on the approved Plans and the Permit issued by the St. Johns River Water Management District.

Section 9. Stormwater Management System. If the Association has failed to maintain in good operation, the Stormwater Management System or failed to do so in compliance with the Plans or as otherwise required herein, the County may but shall not be obligated to, after giving the Association thirty (30) days' written notice sent to the Association's last known respective registered agents, Operate that portion of the Stormwater Management System in need of said operation. Said determination by the County to operate temporarily or permanently, any part or all of the Stormwater Management System shall be optional with the County, and the County shall be under no obligation to, either temporarily or permanently, operate the Stormwater Management System. All costs and expenses of the County resulting from any operation of the County of the Stormwater Management System shall be chargeable to and assessed by the County to the Association; provided, that in the event the County chooses to operate the Stormwater Management System in accordance herewith, the Association shall have thirty (30) days in which to pay the County's assessment expenses and costs after the Association receives a bill therefor from the County. If the Association shall fail to pay to the County within said thirty (30) day period for the cost of providing said services, the County has, and is hereby granted, a lien for the costs of said services. Said lien shall include interest to be assessed at a rate of eighteen percent (18%) per annum and may include the costs and reasonable attorney's fees for collection of the assessments and foreclosure of the said lien. The total cost of such services shall be pro-rated (based on a fraction, the numerator of which shall be the number 1, representing the Lot to be assessed and the denominator of which shall be the total number of Lots as depicted on the Plat) among all the Lots and shall constitute a lien against each Lot, for its pro-rata share, as the County shall deem appropriate. Further, to assist in collection of the costs for such services. The County shall have the power of lien and assessment to the same extent as the Association as set forth in Article IV of this Declaration. All such liens shall be subordinate to first mortgages upon the Lots.

ARTICLE IV
MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. Every Owner of a Lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to, and may not be separated from, ownership of any Lot which is subject to assessment.

Section 2. Voting Rights. The Association shall have two classes of voting membership:

a. Class A. Class A members shall be all Owners with the exception of the Declarant, and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine and in accordance with the Association's By-Laws, but in no event shall more than one vote be cast with respect to any Lot.

b. Class B. The Class B member(s) shall be the Declarant, and shall be entitled to nine (9) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

- (1) When the number of Class A votes equals the number of Class B votes; or
- (2) On January 1, 2012.

ARTICLE V COVENANT FOR ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned with the Subdivision, hereby covenants, and each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree, to pay to the Association annual assessments or charges and special assessments for capital improvements, comply with these covenants and restrictions wherein costs suffered by the Association to correct violations may be assessed against particular Owners and Lots and payment of certain enforcement penalties as provided for in Article XI, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person or persons who were the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them, or unless the Association causes a lien to be recorded in the Public Records of the County.

Section 2. Purpose of Assessments. The Assessments levied by the Association shall be used exclusively for the purpose of implementing the corporate purposes and powers of the Association, for promoting the health, safety, welfare, and general aesthetics of the residents of the Subdivision; for the improvement and maintenance of the Common Area, including for the



conservation and maintenance of the Conservation Area; for the improvement, maintenance, operation and management of the Stormwater Management System, including but not limited to work within retention areas, drainage structures, and drainage easements, for the payment of operating expenses of the Association, for the payment of taxes and insurance on the Common Area and Stormwater Management System, for certain Lot maintenance as provided for in Article V, for compliance with Architectural Control Committee requirements as provided for in Article VI, for compliance with and enforcement of other covenants or restrictions as provided for in this Declaration, for capital improvements, for reserves (if any), and for any other thing necessary or desirable, including but not limited to the cost associated with obtaining basic cable television services for the Subdivision in the judgment of the Association, to keep the Subdivision secure, clean, neat and attractive, or to preserve or enhance the value of the Subdivision, or to eliminate fire, health or safety hazards, or which in the judgment of the Association may be of general benefit to its members.

Section 3. Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner other than the Declarant, the maximum annual assessment shall be no more than \$250.00.

a. From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner other than the Declarant, the maximum annual assessment may be increased each year not more than five percent (5%) above the maximum assessment for the previous year without a vote of the membership.

b. From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased above five percent (5%) by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.

c. The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

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

Section 5. Notice For Any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be as set forth in the By-Laws of the Association.

Section 6. Uniform Rate of Assessment. Both annual assessments and special assessments for capital improvements must be fixed a uniform rate for all Lots, and may be collected in advance of a monthly, quarterly or annual basis, provided that the Declarant shall be exempt from the payment of the annual assessments upon unsold Lots owned by the Declarant for so long as Declarant shall obligate itself to pay all expenses incurred by the Association in excess of the amounts produced from such assessments.

Section 7. Date of Commencement of Annual Assessments, Due Dates. The annual assessments provided for herein shall commence as to all Lots on the first (1st) day of the month following the conveyance by the Declarant of the Common Area. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. The due dates shall be established by the Board of Directors. The Association shall, upon demand for and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

Section 8. Effect of Nonpayment of Assessments; Remedies of the Association. Any assessment or installment thereof not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of eighteen percent (18%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the Lot. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot. Failure to pay an Assessment shall not constitute a default under an FHA/VA insured or guaranteed loan.

Section 9. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage to an institutional lender (i.e., a bank, insurance company, or savings and loan association), or Federal Housing Administration or Veterans Administration insured, guaranteed, or owned mortgage. The sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien for such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof. No mortgagee shall be required to collect Assessments.

Section 10. Exempt Property. Property subject to this Declaration dedicated to, and accepted by, a governmental entity or the Association shall be exempt from the assessments created herein; provided, however, no land or improvements devoted to dwelling use shall be exempt from said assessments.

Section 11. Trust Funds. The portion of all annual assessments collected by the Association for reserves for future expenses, and the entire amount of all special assessments for capital improvements, shall be held in trust by the Association for the Owners of all Lots, as their interests may appear, and may be invested in interest bearing accounts or in certificates of deposit

or other like instruments or accounts available at banks or savings and loan institutions the deposits of which are insured by an agency of the United States.

Section 12. Class B Members Obligations for Assessment. Notwithstanding anything herein to the contrary, Lots owned by Class B Members shall be exempt from assessments. The Class B Members shall, however, pay to the Association all funds in addition to those collected from Class A Members, regular assessments necessary to operate the Association in accordance with its approved Operating Budget.

ARTICLE VI
EXTERIOR MAINTENANCE

In the event an Owner of any Lot in the Subdivision shall fail to maintain the premises and the improvements situated thereon in a manner satisfactory to the Board of Directors, the Association, after approval by two-thirds (2/3) vote of the Board of Directors and thirty (30) days' prior written notice to the Owner at the last address in the Association's records for said Owner, such notice informing the Owner that unless certain specified repairs or maintenance are made within a thirty (30) day period the Board of Directors shall cause such necessary repairs or maintenance to be accomplished and charge same to the Owner, shall, upon the failure of the Owner to act within said period of time, have a right, through its agents and employees, to enter upon said Lot and to repair, clear, trim, maintain and restore such Lot and the exterior of the buildings and any other improvements erected thereon. The cost of such exterior maintenance shall be added to and become part of the assessments to which such Lot is subject. In no event shall the Association or any of its agents be liable for trespass in causing necessary repairs or maintenance to be accomplished pursuant to this Article.

ARTICLE VII
CONSERVATION EASEMENT

Section 1. Conservation Easement Areas. Pursuant to the provisions of Section 704.06, Florida Statutes, Declarant has granted to the St. Johns River Water Management District (the "District") a conservation easement in perpetuity over the property described in the Conservation Easement recorded on September 4, 2001 in Official Records Book 6337, Page 6227, Public Records of Orange County, Florida. Declarant granted the Conservation Easement as a condition of permit number 12-095-0119, issued by the District, solely to offset adverse impacts to natural resources, fish and wildlife, and Conservation functions.

1.1. Purpose. The purpose of the Conservation Easement is to assure that the Conservation Easement Areas will be retained forever in their existing natural condition and to prevent any use of the Conservation Easement Areas that will impair or interfere with the environmental value of these areas.



1.2. Prohibited Uses. Any activity in or use of the Conservation Easement Areas, inconsistent with the purpose of the Conservation Easement is prohibited. The Conservation Easement expressly prohibits the following activities and uses:

- a. Construction of placing buildings, roads, signs, billboards or other advertising, utilities or other structures on or above the ground;
- b. Dumping or placing soil or other substance or material as landfill or dumping or placing of trash, waste or unsightly or offensive materials;
- c. Removing, destroying or trimming trees, shrubs, or other vegetation;
- d. Excavating, dredging or removing loam, peat, gravel, soil, rock or other material substances in such a manner as to affect the surface;
- e. Surface use, except for purposes that permit the land or water area to remain predominantly in its natural condition;
- f. Activities detrimental to drainage, flood control, water conservation, erosion control, soil conservation, or fish and wildlife habitat preservation;
- g. Acts or uses detrimental to such retention of land or water areas;
- h. Acts or uses detrimental to the preservation of the structural integrity or physical appearance of sites or properties of historical, architectural, archaeological, or cultural significance;
- i. Removal or damage of fences, if any, designating the boundaries of the conservation areas.

1.3. Responsibilities. The Association, its successors and assigns, are responsible for the periodic removal of trash and other debris which may accumulate in the Conservation Easement Areas.

1.4. Rights of District. To accomplish the purposes stated in the Conservation Easement, the Declarant conveyed the following rights to the District:

- a. To enter upon and inspect the Conservation Easement Areas in a reasonable manner and at reasonable times to determine if Declarant or its successors and assigns are complying with the covenants and prohibitions contained in the Conservation Easement;
- b. To proceed at law or in equity to enforce the provisions of the Conservation Easement and the covenants set forth herein, to prevent the occurrence of any of the prohibited activities set forth herein, and require the restoration of areas or features of the Conservation Easement Areas that may be damaged by any activity inconsistent with the Conservation Easement;

1.5. Amendment. The provisions of the Conservation Easement may not be amended without the prior written approval of the District.

ARTICLE VIII
ARCHITECTURAL CONTROL

Section 1. Approval of Building Plans. All building plans for structures, including but not limited to buildings, fences, swimming pools, patios, tennis courts, and signs, must receive approval by and a permit from the County, or if the real property upon which the structure is proposed to be built has been annexed into a municipality, then approval and a permit must be obtained from the annexing municipality instead of the County. In addition, no building, fence, wall, mailbox, pool, tennis court, patio, sidewalk, paved area (other than platted streets), basketball hoop, pet house, sign, outside antenna or other structure or improvement shall be commenced, erected, placed, maintained or altered on any Lot nor shall any awning, canopy, shutter, enclosure or improvement be attached to or placed upon the outside walls for roof of any building or other structure on any Lot until the construction plan and specifications and a plot plan showing the location of same, have been approved in writing as to the harmony of exterior design, materials and colors with existing structures, as to location with respect to surrounding structures and topography, and as to the harmony of the quality of finished standards with existing structures, by the Architectural Control Committee. A copy of the construction plans and specifications showing the nature, kind, shape, height, materials, square footage, location, color, and landscaping of same, and a plot plan, together with such additional information as may be deemed pertinent by the Architectural Control Committee, shall be submitted to such Committee, or its designated representative, prior to commencement of construction in such form and detail as such Committee may elect in its sole discretion. In the event the Architectural Control Committee fails to approve or disapprove such plans and specifications within thirty (30) days after the receipt of the required documents, approval will not be required and the requirements of this section will be deemed to have been fully complied with. The Architectural Control Committee shall have full and complete authority to approve construction of any improvement on any Lot, and its judgment shall be final, conclusive and binding. The existence of the signatures of at least three (3) members of the Architectural Control Committee on any plans or specifications shall be conclusive proof of the approval by such Committee of such plans and specifications.

Section 2. Committee Membership. The Architectural Control Committee members shall be three (3) to five (5) in number, and shall be appointed by the Declarant until control of the Association has been passed to the Owners other than the Declarant, at which time such members shall thereafter be appointed by a majority vote of the Board of Directors and shall serve at the pleasure of said Board; provided, however, that in its selection, the Board of Directors shall appoint a designated representative of Declarant to such Committee for so long as the Declarant owns any Lots in the Subdivision.

Section 3. Quorum. A quorum of the Architectural Control Committee shall be three (3) members. No decisions of said Committee shall be binding without a quorum present.



Section 4. Planning Criteria. The Architectural Control Committee may from time to time promulgate and amend guidelines concerning construction criteria; however, such criteria if promulgated shall only serve as a guideline and the Architectural Control Committee shall retain its full and complete authority and discretion to approve or disapprove construction under the provisions of this Article.

Section 5. Enforcement. The Architectural Control Committee, along with the Declarant and/or the Board of Directors of the Association shall have the right and obligation to enforce the provisions hereof. Should any Owner fail to comply with the requirements hereof, after thirty (30) days written notice, the Architectural Control Committee, the Declarant and/or the Board of Directors of the Association shall have the right to enter upon the Lot, make such corrections or modifications as are necessary, or remove anything in violation of the provisions hereof, and charge the cost thereof to the Owner. Should the Architectural Control Committee, the Declarant, and/or the Board of Directors be required to enforce the provisions hereof by legal action, the reasonable attorney's fees and costs incurred, whether or not judicial proceedings are involved, including the attorney's fees and costs incurred on appeal of such judicial proceedings, shall be collectible from the Owner. The Architectural Control Committee, the Declarant and the Board of Directors of the Association, or their agents or employees, shall not be liable to the Owner for any damages or injury to the property or person of the Owner unless caused by negligent action of the Architectural Control Committee, the Declarant or the Board of Directors.

ARTICLE IX GENERAL RESTRICTIONS

Section 1. Condition of Building and Grounds. It shall be the responsibility of each Owner to prevent the occurrence of any unclean, unsightly or unkept condition of buildings or grounds on his Lot which shall tend to substantially decrease the beauty of the Subdivision as a whole or the specific Lot.

Section 2. Offensive Activity. No noxious or offensive activity shall be carried on upon a Lot nor shall anything be done thereon tending to cause embarrassment, discomfort, annoyance or nuisance to the Subdivision community. There shall not be maintained in the Subdivision any plants or animals, or device or thing of any sort whose normal activities or existence is in any way noxious, dangerous, unsightly, unpleasant or of a nature as may diminish or destroy the enjoyment of other property in the Subdivision by the Owners thereof.

Section 3. Commercial vehicles, Trailers, Boats and Parking. No oversized vehicle, truck, house or travel trailer, camper, mobile home, motor home, house trailer, horse trailer, boat trailer, trailer of any kind, recreational vehicle, boat, or other such vehicle or device shall be placed, parked, left or stored on any Lot or the Common Area; provided, however, that with regard to any Lot, this provision shall not apply to any such vehicle or device, being kept in an enclosed garage. With regard to Lots the prohibition of parking shall not apply to commercial vehicles, the temporary parking of trucks and commercial vehicles such as for pick-up or delivery and other commercial services, nor to vans or pick-up trucks for personal use which are in acceptable condition in the sole



opinion of the Board of Directors, nor to any vehicle of the Declarant or its affiliates. No commercial vehicle shall be placed, parked, left, or stored on any portion of the Common Area. Any such vehicle or device parked in violation of these or other restrictions contained herein or in the Rules and Regulations now or hereafter adopted may be towed by the Association at the sole expense of the owner of such vehicle or device if such vehicle or device remains in violation for a period of twenty-four (24) hours from the time a notice of violation is placed on the vehicle or device. The Association shall not be liable to the Owner of such vehicle or device for trespass, conversion or otherwise, nor guilty of any criminal act, by reason of such towing, and once the notice is posted, neither its removal, nor failure of the owner to receive it for any other reason, shall be grounds for relief of any kind. An affidavit of the person posting such notice stating that it was properly posted shall be conclusive evidence of proper posting.

Section 4. Trees. No trees measuring six (6) inches or more in diameter at ground level may be removed without the written approval of the Association unless located within ten (10) feet of the building or within ten (10) feet of the approved site for such a building.

Section 5. Temporary Structures. No structure of a temporary character shall be placed upon the Subdivision at any time, provided, however, that this prohibition shall not apply to temporary shelters used by a contractor during the construction or repair of the improvements upon the Subdivision. Such temporary shelters may not, at any time, be used as residences or permitted to remain on the said property after completion of construction or repairs.

Section 6. Garages, Carports. If a garage is built subsequent to the construction of a building, the garage shall be of the same kind of, or matching, material as the construction of the building. The garage shall substantially conform architecturally with the building, and must first be approved by the Architectural Control Committee. Carports shall not be permitted.

Section 7. Electromagnetic Radiation, Outside Antennas. No radio or television signals nor any other form of electromagnetic radiation shall be permitted to originate from any Lot which interferes with the reception of television or radio signals received upon any other Lot. No exterior antennas, to include without limitation satellite dishes larger than eighteen inches (18") in diameter and short wave radio antennas, shall be permitted on any Lot or improvement thereon, except that Declarant and its affiliates shall have the right to install and maintain community antenna, microwave antenna, dishes, satellite antenna and radio, television and security lines, and except that Owner may install one normal rooftop television antenna or one satellite dish eighteen inches (18") or smaller in diameter as approved by the Architectural Control Committee.

Section 8. Clotheslines. No clothesline shall be placed on any Lot, except in fully screened areas in the backyard only, so as not to be visible from the street or objectionable to an adjacent property.

Section 9. Window Air Conditioning Units. No window or through-the-wall air conditioning units shall be permitted. No building shall have any aluminum foil or other reflective material in any window or glass door.

Section 10. Vehicles and Repair. No inoperative cars, trucks, trailers, or other types of vehicles shall be allowed to remain on or adjacent to any Lot for a period in excess of forty-eight (48) hours in any ninety (90) consecutive day period; provided however, that this provision shall not apply to any such vehicle being kept in an enclosed garage. There shall be no major repair performed on any motor vehicle on or adjacent to any Lot in the Subdivision. All vehicles shall have current license plates. Moreover, no stripped, unsightly, offensive, wrecked, junked, or dismantled vehicles or portions thereof, shall be parked, stored or located upon any Lot at any time. No portion of the Common Area may be used for parking of such inoperative vehicles.

Section 11. Storage of Construction Materials. No lumber, brick, stone, cinder block, concrete or any other building materials, scaffolding, mechanical devices or any other thing used for building purposes shall be stored on any Lot, except for purposes of construction on such Lot, and shall not be stored for longer than that length of time reasonably necessary for the construction in which same is to be used.

Section 12. Household Pets. No Lot shall be used for keeping or breeding of livestock animals or poultry of any kind. Domesticated household pets may be kept provided they are not kept for breeding or maintained for any commercial purpose and provided that they do not become a nuisance or annoyance to any neighbor. For purposes hereof, household pets shall mean dogs, cats, domestic birds and fish. No more than four (4) cats and/or dogs may be kept on any Lot. All household pets shall be kept on a leash when not kept within an enclosed area. Any pet deemed objectionable by the Board of Directors for any reason shall be removed promptly by the Owner on fifteen (15) days' notice.

Section 13. Vegetable Gardens. No vegetable gardens shall be permitted except in fully screened areas in the backyard only, so as not to be visible from the street or objectionable to an adjacent property.

Section 14. Hunting. No hunting shall be permitted anywhere on the Subdivision.

Section 15. Exterior Displays. Except for seasonal decorations, an Owner shall not cause anything to be affixed or attached to, hung, displayed or placed on the roof, exterior walls, doors, balconies or windows of his Unit; provided, however, that standard exterior improvements such as awnings and shutters may be added with the approval of the Architectural Control Committee.

Section 16. Building Requirements. Only single family detached homes shall be constructed in the Subdivision. No Unit shall be constructed of such dimensions that the living area (which excludes garage, patios or other appurtenances which are not customarily considered to be "living area") is less than eleven hundred (1,100) square feet. Front, rear and side setback requirements, as established by County ordinances in effect at the time of construction, shall be complied with; provided however, that in no event shall any building be erected closer than twenty (20) feet to the front line, or closer than twenty (20) feet to the rear line, exclusive of pool or patio, or closer than five (5) feet to the building on an adjacent lot. Pool and patio setback shall be no closer than five (5) feet to the rear line.



OR Bk 6527 Pg 3802
 Orange Co FL 2002-0242307
 05/20/2002 12:48:34pm
 Rec 15.00

Prepared by and return to:
 William E. Barfield, Esquire
 Higley & Barfield, P.A.
 Post Office Box 151629
 Altamonte Springs, FL 32715-1629

**SUPPLEMENTAL DECLARATION OF COVENANTS AND RESTRICTIONS
 FOR
 WATERSIDE SUBDIVISION
 (Phase II)**

THIS SUPPLEMENTAL DECLARATION OF COVENANTS AND RESTRICTIONS FOR WATERSIDE SUBDIVISION ("Supplemental Declaration"), is made and entered into this the 16 day of May, 2002, by D.R. HORTON, INC., a Delaware corporation, hereinafter referred to as "Declarant", 6250 Hazeltine National Drive, Ste. 102, Orlando, Florida 32822.

WHEREAS Declarant caused to be recorded a Declaration of Covenants and Restrictions for Waterside Subdivision in O.R. Book 6355, Page 4991 of the Public Records of Orange County, Florida; and

WHEREAS Declarant has executed and filed in the Public Records of Orange County, Florida a First Addendum to the Declaration of Covenants and Restrictions for Waterside Subdivision; and

WHEREAS Article III of the Declaration of Covenants and Restrictions permits Declarant to annex additional property into the subdivision so long as to Declarant is a Class B member of the Association; and

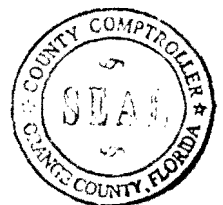
WHEREAS Declarant is a Class B member of the Association, and desires to annex the additional property described in Exhibit "A" attached hereto into the subdivision.

NOW THEREFORE Declarant hereby declares that the property described in Exhibit "A" attached hereto is and shall be approved, transferred, and occupied subject to the Declaration of Covenants and Restrictions for Waterside Subdivision recorded in O.R. Book 6355, Page 4988 of the Public Records of Orange County, Florida as amended by Amendment of Declaration of Covenants and Restrictions recorded in Orange County, Florida. Said Declaration of Covenants and Restrictions as amended shall run with the land.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set his hand and seal as of the date first appearing above.

STATE OF FLORIDA - COUNTY OF ORANGE
 I HEREBY CERTIFY that this is a copy of
 the document as recorded in this office.
 MARTHA D. HAYNIE, COUNTY COMPTROLLER

By: *Martha D. Haynie*, D.C.
 DATED: 5/20/02



WITNESSES:

D.R. HORTON, INC., Delaware corporation
6250 Hazeltine National Drive, Ste. 102
Orlando, Florida 32822

David V. Auld
Print: David V. Auld

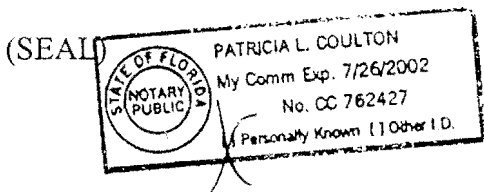
By: *David V. Auld*
Print: David V. Auld
Title: Vice President

Anne H. Campbell
Print: ANNE H. CAMPBELL

STATE OF FLORIDA

COUNTY OF _____

The foregoing instrument was acknowledged before me this 16 day of May, 2002, by David V. Auld as Vice President of D.R. HORTON, INC., a Delaware corporation, on behalf of the Corporation, who is personally known to me or has produced _____ as identification.



Patricia L. Coulton
Notary Public, State of Florida



DR Bk 6527 Pg 3805
 Orange Co FL 2002-0242308
 05/20/2002 12:48:34pm
 Rec 15.00

Prepared by and return to:
 William E. Barfield, Esquire
 Higley & Barfield, P.A.
 Post Office Box 151629
 Altamonte Springs, FL 32715-16.0

**SUPPLEMENTAL DECLARATION OF COVENANTS AND RESTRICTIONS
 FOR
 WATERSIDE SUBDIVISION
 (Phase III)**

THIS SUPPLEMENTAL DECLARATION OF COVENANTS AND RESTRICTIONS FOR WATERSIDE SUBDIVISION ("Supplemental Declaration"), is made and entered into this the 16 day of May, 2002, by D.R. HORTON, INC., a Delaware corporation, hereinafter referred to as "Declarant", 6250 Hazeltine National Drive, Ste. 102, Orlando, Florida 32822.

WHEREAS Declarant caused to be recorded a Declaration of Covenants and Restrictions for Waterside Subdivision in O.R. Book 6355, Page 4991 of the Public Records of Orange County, Florida; and

WHEREAS Declarant has executed and filed in the Public Records of Orange County, Florida a First Addendum to the Declaration of Covenants and Restrictions for Waterside Subdivision; and

WHEREAS Article III of the Declarant of Covenants and Restrictions permits Declarant to annex additional property into the subdivision so long as to Declarant is a Class B member of the Association; and

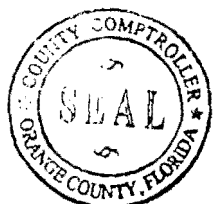
WHEREAS Declarant is a Class B member of the Association, and desires to annex the additional property described in Exhibit "A" attached hereto into the subdivision.

NOW THEREFORE Declarant hereby declares that the property described in Exhibit "A" attached hereto is and shall be approved, transferred, and occupied subject to the Declaration of Covenants and Restrictions for Waterside Subdivision recorded in O.R. Book 6355, Page 4988 of the Public Records of Orange County, Florida as amended by Amendment of Declaration of Covenants and Restrictions recorded in Orange County, Florida. Said Declaration of Covenants and Restrictions as amended shall run with the land.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set his hand and seal as of the date first appearing above.

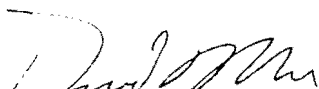
STATE OF FLORIDA - COUNTY OF ORANGE
 I HEREBY CERTIFY that this is a copy of
 the document as recorded in the office of
 MARTHA O. HAYNIE, COUNTY COMPTROLLER

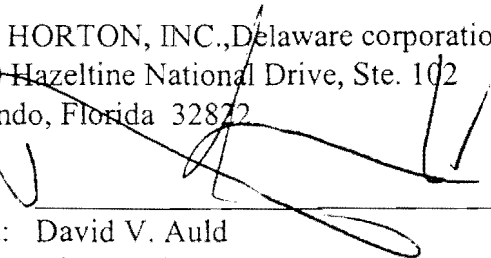
By: [Signature], D.C.
 1 DATED: 5/20/02

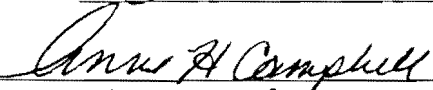


WITNESSES:

D.R. HORTON, INC., Delaware corporation
6250 Hazeltine National Drive, Ste. 102
Orlando, Florida 32822


Print: David Moss

By: 
Print: David V. Auld
Title: Vice President

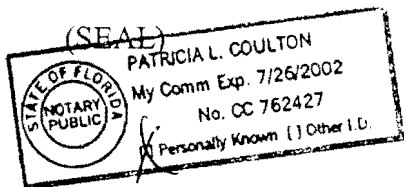

Print: ANNE H. CAMPBELL

STATE OF FLORIDA

COUNTY OF _____

The foregoing instrument was acknowledged before me this 16 day of May, 2002, by David V. Auld as Vice President of D.R. HORTON, INC., a Delaware corporation, on behalf of the Corporation, who is personally known to me or has produced _____ as identification.


Notary Public, State of Florida





OR Bk 6525 Pg 2155
Orange Co FL 2002-0237368
05/16/2002 10:48:07am
Rec 10.50

This Instrument Prepared By
And Should Be Returned To:
William E. Barfield, Esq.
P.O. Box 151629
Altamonte Springs, FL 32715-1629

SPACE ABOVE THIS LINE FOR PROCESSING DATA

PERIMETER WALL EASEMENT

THIS PERIMETER WALL EASEMENT is made this 13 day of May, 2002 by D.R. HORTON, INC., a Delaware corporation ("Grantor") having an address of 6250 Hazeltine National Drive, Suite 102, Orlando, Florida 32822 to WATERSIDE HOMEOWNERS ASSOCIATION OF ORANGE COUNTY, INC. a Florida corporation, ("Grantee"), having an address of 6250 Hazeltine National Drive, Suite 102, Orlando, Florida 32822.

WITNESSETH:

WHEREAS Grantor is the owner of Tract B in Lots 22-38 Waterside Estates Phase 2 as recorded in Plat Book 49, Page 134; and

WHEREAS Grantor has caused to be constructed a subdivision perimeter wall along the westerly ten (10) feet of said property; and

WHEREAS the subdivision perimeter wall is a common element of the subdivision for which the Grantee is responsible for maintenance; and

WHEREAS Grantee desires an easement over, across, and through the property as above described owned by Grantor for purposes of constructing and maintaining the subdivision perimeter wall.

NOW THEREFORE in consideration of the sum of Ten and No/100 Dollars (\$10.00) and other good and valuable consideration, the receipt of which is hereby acknowledged by the Grantor, has agreed as follows:

1. Conveyance of Easement. Grantor does hereby give, grant and convey unto Grantee their heirs, personal representatives, successors, and assigns an easement over, across and under the property described as the westerly ten (10) feet of Tract B and the westerly ten (10) feet of Lots 22 - 38 as recorded in Waterside Estates Phase 2, Plat Book 49, Page 133 and 134 for the use and benefit of Grantee and for the purpose of constructing and maintaining a subdivision perimeter wall.



2. Construction and Maintenance. Grantee shall be responsible for the sole costs and expense for maintaining the subdivision perimeter wall and shall have rights to enter upon the conveyed property for purposes of maintaining or reconstructing the perimeter wall.

3. Reservation of Rights. The Grantor hereby reserves unto itself, its successors and assigns, the right to use the aforesaid easement property at and at all times for any and all purposes which are not inconsistent and do not unreasonably interfere with the rights hereby granted to the Grantee, and which use does not interfere with the continuity of the perimeter wall.

4. Easement to Run with the Land. The grant of the easement shall run with land and shall be binding upon and shall inure the benefit of the Grantee, their heirs, personal representatives, successors and assigns.

IN WITNESS WHEREOF, Grantor has executed this Perimeter Wall Easement on the day and year first above written.

Signed, sealed and delivered
in our presence as witnesses:

D.R. HORTON, INC.
By: [Signature]
David Auld, Vice President

[Signature]
Witness
David Moss

[Signature]
Printed Name
Kimberly Howard
Witness
Kimberly Howard
Printed Name

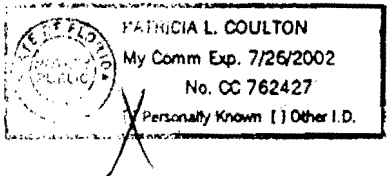
STATE OF FLORIDA - COUNTY OF ORANGE
I HEREBY CERTIFY that this is a copy of
the document as recorded in this office
of MARTHA O. HAYNIE, COUNTY CONTROLLER
By: [Signature], D.C.
DATED: 5/16/02



STATE OF FLORIDA
COUNTY OF _____

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared DAVID AULD, as Vice President of D.R. Horton, Inc., to me known to be the person described in, or who produced _____ as identification, and who executed the foregoing and acknowledged before me that he/she executed the same.

WITNESS my hand and official seal in the County and State aforesaid this B day of May, 2002.



[Signature]
Notary Public
Printed Name: _____
Commission #: _____

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal as of the date first appearing above.

WITNESSES:

D.R. HORTON, INC., Delaware corporation
6250 Hazeltine National Drive, Ste. 102
Orlando, Florida 32822

[Signature]
Print: Kim Howard

By: [Signature]
Print: David V. Auld
Title: Vice President

[Signature]
Print: David Moss

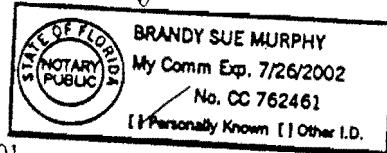
STATE OF FLORIDA

COUNTY OF Orange

The foregoing instrument was acknowledged before me this 22 day of October, 2001, by David V. Auld as Vice President of D.R. HORTON, INC., a Delaware corporation, on behalf of the Corporation, who is personally known to me or has produced n/a as identification.

(SEAL)

[Signature]
Notary Public, State of Florida



F:\Clients\DRHORTON\waterside\Phase1\Waterside\Amend.declaration.lac.01

MARTHA O. HAYNIE, COUNTY CLERK

By: [Signature], D.C.

DATED: 10/23/01



Recorded - Martha O. Haynie
DR Bk 6375 Pg 5573
Orange Co FL 2001-0481055





Orange Co FL 2001-0481054
10/23/2001 01:54:20pm
OR Bk 6375 Pg 5568
Rec 19.50

Prepared by and return to:
William E. Barfield, Esquire
Higley & Barfield, P.A.
Post Office Box 151629
Altamonte Springs, FL 32715-1629

**AMENDMENT TO
DECLARATION OF COVENANTS AND RESTRICTIONS
FOR
WATERSIDE SUBDIVISION**

This AMENDMENT TO DECLARATION OF COVENANTS AND RESTRICTIONS ("Declaration"), made and entered into this the 22nd day of October, 2001, by D.R. HORTON, INC., a Delaware corporation, hereinafter referred to as "Declarant".

WHEREAS, Declarant caused a Declaration of Covenants and Restrictions for Waterside Subdivision to be recorded in O.R. Book 6355, Page 4988 of the Public Bank Records of Orange County, Florida on the 25th day of September, 2001; and

WHEREAS, the Declaration of Covenants and Restrictions for Waterside Subdivision permits Declarant to amend the Declaration from time to time; and

WHEREAS, Declarant desires to amend the Declaration of Covenants and Restrictions for Waterside Subdivision for purposes of increasing the minimum annual assessment to \$550.00 per year.

NOW, THEREFORE, Declarant hereby declares by the execution and recording hereof that the Declaration of Covenants and Restrictions for Waterside Subdivision is and shall be deemed amended as follows:

1. Section 3 entitled Annual Assessments of Article V entitled Covenant for Assessments shall be stricken and in its place added

Section 3. Annual Assessments. Until January 1 of the year immediately following the conveyance of the first Lot to an owner other than Declarant, the maximum annual assessment shall be no more than \$550.00.

Except as expressly modified herein, the Declaration shall remain in force and effect.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal as of the date first appearing above.

WITNESSES:

D.R. HORTON, INC., Delaware corporation
6250 Hazeltine National Drive, Ste. 102
Orlando, Florida 32822

[Signature]
Print: David Moss
[Signature]
Print: Kim Howard

By: [Signature]
Print: David V. Auld
Title: Vice President

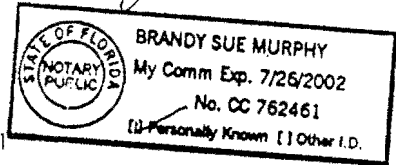
STATE OF FLORIDA

COUNTY OF Orange

The foregoing instrument was acknowledged before me this 22 day of October, 2001, by David V. Auld as Vice President of D.R. HORTON, INC., a Delaware corporation, on behalf of the Corporation, who is personally known to me or has produced N/A as identification.

(SEAL)

[Signature]
Notary Public, State of Florida



F:\Clients\DRHORTON\waterside\Phase1\Waterside\Amend.declaration.lac.01



ACTION OF BOARD OF DIRECTORS WITHOUT A MEETING

The undersigned representing all of the Board of Directors of Waterside Homeowners Association of Orange County, Inc. hereby take the following actions without a meeting:

1. The resignation of David V. Auld as a member of the Board of Directors of the Association is hereby accepted.
2. The undersigned representing all of the remaining Directors of the Association hereby appoint David Moss of 6250 Hazeltine National Drive, Suite 102, Orlando, Florida 32822 as Director and Treasurer of the corporation.

Dated this 22nd day of October, 2001.



Kim Howard

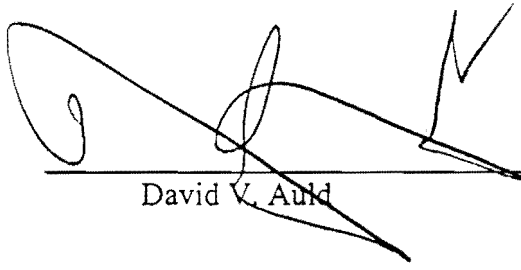


Robert Lawson

RESIGNATION FROM THE BOARD OF DIRECTORS

By execution hereof, the undersigned hereby tenders his resignation as a member of the Board of Directors of Waterside Homeowners Association of Orange County, Inc. The undersigned's resignation shall be effective as of the date hereof.

Dated this 22nd day of October, 2001.



David V. Auld

RECEIVED
STATE OF FLORIDA - COUNTY OF ORANGE
MARtha O. HAYNIE, COUNTY COMPTROLLER
MARtha O. HAYNIE, COUNTY COMPTROLLER
Patricia Smith, D.C.
DATED: 10/23/01



Prepared by and return to:
William E. Barfield, Esquire
Higley & Barfield, P.A.
Post Office Box 151629
Altamonte Springs, FL 32715-1629

**SECOND AMENDMENT TO
DECLARATION OF COVENANTS AND RESTRICTIONS
FOR
WATERSIDE SUBDIVISION**

This AMENDMENT TO DECLARATION OF COVENANTS AND RESTRICTIONS ("Declaration"), made and entered into this the 23rd day of October, 2001, by D.R. HORTON, INC., a Delaware corporation, hereinafter referred to as "Declarant".

WHEREAS, Declarant caused a Declaration of Covenants and Restrictions for Waterside Subdivision to be recorded in O.R. Book 6355, Page 4988 of the Public Bank Records of Orange County, Florida on the 25th day of September, 2001; and

WHEREAS, the Declaration of Covenants and Restrictions for Waterside Subdivision permits Declarant to amend the Declaration from time to time; and

WHEREAS, Declarant desires to amend the Declaration of Covenants and Restrictions for Waterside Subdivision for purposes redefining the voting rights of Class B member

NOW, THEREFORE, Declarant hereby declares by the execution and recording hereof that the Declaration of Covenants and Restrictions for Waterside Subdivision is and shall be deemed amended as follows:

1. The provisions of Article VI paragraph 2 (b) are deleted and in its place the following is inserted:

b. Class B. The Class B member(s) shall be the Declarant, and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall case and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

- (1) When the number of Class A votes equals the number of Class B votes; or
- (2) On January 1, 2012.