



INSTR 20060467894
OR BK 08756 PG 0145 PGS=68
MARTHA O. HAYNIE, COMPTROLLER
ORANGE COUNTY, FL
07/17/2006 02:42:10 PM
REC FEE 579.50

Prepared by and to be returned to:
Keith R. Waters
GRAHAM, BUILDER, JONES, PRATT & MARKS, LLP
369 North New York Avenue, Third Floor
Winter Park, Florida 32789

RETURN TO: 
Winderweede, Haines, Ward & Woodman, P.A.
P.O. Box 880
Winter Park FL 32790-0880



DECLARATION OF EASEMENTS, COVENANTS, CONDITIONS, AND RESTRICTIONS FOR GROVE PARK

THIS DECLARATION OF EASEMENTS, COVENANTS, CONDITIONS, AND RESTRICTIONS FOR GROVE PARK (the "Declaration") is made this 18th day of May, 2006, by **MI HOMES OF ORLANDO, LLC**, a Florida limited liability/company (the "**Developer**"), which declares hereby that the Property described in **Exhibit "A"** attached hereto and by reference incorporated in this Declaration, is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges, liens, and other matters set forth below. The address of the Developer is 237 S. Westmonte Avenue, Suite 111, Altamonte Springs, Florida 32714.

WITNESSETH:

WHEREAS, the Developer is the owner of certain real property in Orange County, Florida, more particularly described in **Exhibit "A"** attached hereto and by this reference made a part hereof (the "**Property**"); and

WHEREAS, the Developer has established a land use plan for the Property and the Developer plans to develop the Property into single-family residential lots and cause or allow the construction on the developed lots of single-family detached residential dwelling units; and

WHEREAS, in order to preserve and protect the value and desirability of the Property, the Developer deems it prudent to place this Declaration of record and to subject the Property to the matters set forth below.

NOW, THEREFORE, the Developer hereby declares that all of the Property shall be held, sold, transferred, and conveyed subject to the following easements, restrictions, covenants, conditions, and other matters. These easements, restrictions, covenants, and conditions are for the purpose of protecting the value and desirability of the Property as a residential community of high standards, quality, and beauty, and shall run with the Property and be binding on all of the parties having any rights, title, or interest in the Property or any part thereof, their heirs, successors, and assigns, and shall inure to the benefit of each owner of the Property or any portion thereof.

ARTICLE I
DEFINITIONS

The terms used in this Declaration shall be defined as set forth herein unless the context otherwise requires:

1.1 **"Association"** shall mean and refer to the GROVE PARK AT STONECREST HOMEOWNERS ASSOCIATION, INC., a Florida corporation not-for-profit, its successors and assigns.

1.2 **"Articles"** means the Articles of Incorporation of the Association, as may be amended from time to time, a copy of which is attached hereto and incorporated herein as **Exhibit "B"**.

1.3 **"Board of Directors"** or **"Board"** shall mean the directors serving as such from time to time under the Articles of Incorporation and the Bylaws of the Association.

1.4 **"Bylaws"** means the Bylaws of the Association, as may be amended from time to time, a copy of which is attached hereto and incorporated herein as **Exhibit "C"**.

1.5 **"City"** means and refers to the City of Winter Garden, Florida, a municipal corporation.

1.6 **"Code"** means and refers to the Code of Ordinances of the City of Winter Garden, as such may be amended from time to time.

1.7 **"Common Area Improvements"** means the paving, drainage structures, street lighting fixtures and appurtenances, landscaping, and other structures, equipment and facilities (except public utilities) situated or built on the Common Areas, if any.

1.8 **"Common Areas"** shall mean those portions of the Property that are not included in any Lot and that are owned by the Association for the common use and enjoyment of the Owners, property designated as Common Areas in any recorded plat or future recorded supplemental declaration, property the Association does not own but is required to maintain, and property otherwise designated by the Developer as Common Areas, together with the landscaping and any improvements thereon, including, without limitation, any and all structures, including the outside portion of any walls built by the Developer bordering public rights-of-way contiguous to the Property, open space, conservation or preservation areas, drainage easements, mitigation buffer areas, littoral zones along retention/detention areas, walkways, swales and spreader swale areas, grass areas and upland buffer areas, signage areas and landscape buffer areas, landscape and wall buffer easement areas, parking areas, median strips in public streets, private streets, sidewalks, sprinkler systems, street lights and entrance features including the lighting, signage and landscaping of the entrance features, but excluding any public utility installations thereon. Common Areas also include easements in favor of the Association or that the Association must maintain.

1.9 **"County"** means Orange County, Florida.

1.10 **"Declaration"** shall mean and refer to this Declaration, together with all supplements or amendments hereto, if any.

1.11 **"Developer"** shall mean and refer to M/I HOMES OF ORLANDO, LLC., a Florida limited liability company, its successors and assigns (subject to the terms, conditions, and restrictions as may be imposed on an assignment of Developer's rights). The Developer may assign all or any portion of its rights hereunder; and Developer may assign all or any portion of its rights with respect only to specified portions of the Property. In the event of a partial assignment, the assignee shall not be deemed the Developer, but may exercise those rights of the Developer specifically assigned to it, if any. Any such assignment may be made on a non-exclusive basis.

1.12 **"Development"** shall mean GROVE PARK, a single-family residential subdivision, and shall refer to the Property as it is developed pursuant to the Declaration, or any property annexed thereto in accordance with this Declaration.

1.13 **"Dwelling"** shall mean the residential dwelling constructed upon a Lot.

1.14 **"Institutional Lender"** shall mean a bank, savings and loan association, insurance company, real estate or mortgage investment trust, pension fund, agency of the United States Government, mortgage banker or company, Federal National Mortgage Association, the Developer, or any affiliate of the Developer, or other lender generally recognized as an institution type lender, which holds a mortgage on one or more of the Lots.

1.15 **"Local Government"** means City of Winter Garden, Florida.

1.16 **"Lot"** shall mean and refer to any portion of the Property, described by lot or fractional lot, or by metes and bounds, with the exception of the Common Areas, and intended to be conveyed by the Developer to builders or individual purchasers for the site of a single-family residence.

1.17 **"Member"** shall mean and refer to all those Owners who are members of the Association in accordance with this Declaration, the Bylaws, or the Articles of Incorporation.

1.18 **"Occupant"** means the person or persons, other than the Owner in possession of a Lot, and may, where the context so requires, include the Owner.

1.19 **"Owner"** shall mean and refer to the record owner, whether one or more person or entities, of the fee simple title to any Lot.

1.20 **"Property"** shall mean and refer to that certain real property heretofore described on Exhibit "A," and such additions thereto as may hereafter be properly brought within the jurisdiction of the Association.

1.21 **"Surface Water or Stormwater Management System"** shall mean a system which is designed and constructed or implemented, pursuant to a permit issued by the Water Management District, a copy of which permit is attached hereto as **Exhibit "D"**, 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 quantity or quality of discharges, and shall include, but not be limited to, all inlets, ditches, swales, culverts, water control structures, retention and detention areas, ponds, lakes, flood plain compensation areas, wetlands, and associated buffer areas, and wetland mitigation areas.

1.22 **"Turnover"** means that point in time at which the Developer is incapable of electing a majority of the Board of Directors for the Association. For the purposes of this Declaration, Turnover shall be established as that point in time that the Developer has conveyed the 70th Lot (out of a total of 84 Lots) to an individual Owner.

1.23 **"Water Management District"** means the St. Johns River Water Management District, or any successor agency.

ARTICLE II MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

2.1 **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. Any person or entity who holds an interest in a Lot merely as a security for the performance of an obligation is not a Member.

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

Class A. Class A Members shall be all Owners except the Developer (as long as the Class B membership shall exist, and thereafter, the Developer shall be a Class A Member to the extent it would otherwise qualify). Except as provided below, Class A Members shall be entitled to one (1) vote for each Lot in which they hold the interests required for membership. When more than one person holds such interest or interests in any Lot, all such persons shall be Members, they may exercise a total of only one vote for that Lot, and the vote for such Lot shall be exercised as set forth in the Bylaws.

Class B. The Class B Member shall be the Developer. The Class B Member shall be entitled to three (3) votes for each Lot owned by the Developer. The Class B membership shall cease and terminate and be converted to Class "A" membership on the happening of the earliest of the following events:

(a) When the total outstanding Class "A" votes in the Associates equals or exceeds the total outstanding Class "B" votes; or

(b) Seven (7) years from the date of filing of this Declaration; or

(c) At the election of the Developer evidenced by a written waiver.

2.3 **General Matters.** When reference is made herein, or in the Articles, Bylaws, Rules and Regulations, management contracts or otherwise, to a majority or specific percentage of Members, such reference shall be deemed to be reference to a majority or specific percentage of the permitted votes of the Members (one vote per Lot) and not of the individual Members themselves.

ARTICLE III
PROPERTY RIGHTS IN THE COMMON AREAS; OTHER EASEMENTS

3.1 **Members Easements.** Each Member, and each tenant, agent and invitee of such Member, shall have a non-exclusive, permanent and perpetual right and easement of enjoyment in, over, and upon the Common Areas for the intended use and enjoyment thereof in common with all other such Members, their tenants, agents and invitees, in such manner as may be regulated by the Association. No person entitled to use and enjoy the Common Areas may do so in any manner inconsistent with intended use or purpose of the Common Areas.

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

(a) The right and duty of the Association to levy Assessments against each Lot for the purpose of maintaining the Common Areas in compliance with the provisions of this Declaration and with the restrictions on the plats of portions of the Property from time to time recorded.

(b) The right of the Association to adopt at any time and from time to time and enforce Rules and Regulations governing, among other things, the use of the Common Areas and all structures at any time situated thereon, including the right to fine Members as hereinafter provided. Any rule or regulation so adopted shall apply until rescinded or modified as if originally set forth at length in this Declaration.

(c) The right to the use and enjoyment of the Common Areas and facilities thereon shall extend to Owners and Occupants and their immediate family who reside in a Dwelling, and their guests, subject to regulation from time to time by the Association in its lawfully adopted and published Rules and Regulations.

(d) The right of the Developer to permit such persons as the Developer shall designate to use the Common Areas and all recreational facilities thereon (if any).

(e) The right of the Association, by a seventy-five percent (75%) affirmative vote of the Members, to dedicate, sell, or transfer all or portions of the Common Areas to a public agency under such terms as the Association deems appropriate and to create or contract with special taxing districts for lighting, roads, recreational or other services, security or communications and other similar purposes deemed appropriate by the Developer (to which such creation or contract all Owners hereby consent).

(f) The right of the Association to suspend for a reasonable time the rights of an Owner or Occupant, or their family members or guests, to use Common Areas as a result of the violation by the Owner, Occupant, family member or guest of any covenant, condition, or restriction contained in this Declaration.

3.2 **Easement Appurtenant.** The rights and easements provided in Section 3.1 shall be appurtenant to and shall pass with the title to each Lot.

3.3 Maintenance. The Association shall maintain in good repair and shall manage, operate and insure, and shall replace as often as necessary, the Common Area Improvements, with all such work to be done as ordered by the Board of Directors of the Association. Maintenance of street lighting fixtures shall include and extend to payment for all electricity consumed in their illumination. Without limiting the generality of the foregoing, the Association shall assume all of the Developer's and its affiliates' responsibility to any governmental agencies of any kind with respect to the Common Area Improvements and the Common Areas and shall indemnify and hold the Developer and its affiliates harmless with respect thereto.

All work pursuant to this Section and all expenses incurred hereunder shall be paid for by the Association through Assessments (either general or special) imposed in accordance with this Declaration. No Owner may waive or otherwise escape liability for Assessments by non-use of the Common Areas or abandonment of the right to use the Common Areas.

The Association shall maintain the outside portion of the fences or walls (the side thereof not facing the Property), if any, constructed by the Developer along the perimeter of the Property, or any portion thereof; whereas each Owner shall maintain the inside surface of that portion of any such fence or wall that lies on or adjoins the Owner's Lot, as well as any other fence or wall that is on the Owner's Lot. The Owner shall not make any changes in the perimeter fence or wall, if any, including, but not limited to, change of color or material of the fence or wall, without the express written approval of the Association.

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 practice which allow the systems to provide drainage, water storage, conveyance or other surface water or stormwater management capabilities as permitted by the Water Management District. Any repair or reconstruction of the surface water or stormwater management system shall be as permitted or, if modified, as approved by the Water Management District.

The Developer has constructed drainage swales upon portions of the Property, including some or all Lots, for the purpose of managing and containing the flow of excess surface water, if any, found upon such the Property from time to time. Each Lot Owner shall be responsible for the maintenance, operation and repair of the swales on such Lot Owner's 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 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 swales shall 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.

3.4 Rights of the Local Government. The Local Government shall hereby have the right, but not the obligation, to access, maintain, repair, replace, and otherwise care for or cause to be cared for any and all private easements, Common Areas, rights-of-way, and improvements therein, as depicted on the plat of the Development as recorded in the Public Records of the County. In the event any said private easements, Common Areas, improvements, and rights of way are not maintained or such become a

nuisance, or in the event the Local Government exercises the aforementioned right, the Association and each Lot Owner are hereby ultimately responsible for payment of the cost of maintenance, repair, replacement, and care provided by the Local Government, or its agents, plus administrative costs and attorneys' fees incurred by or for the Local Government. Said costs shall be a lien or assessment on all Lots in the Development and on all Common Areas, and may be enforced by foreclosure proceedings and other remedies. This right and the Local Government's exercise of said right shall not impose any obligation on the Local Government to maintain, repair, replace, or otherwise care for said private easements, Common Areas, improvements or rights-of way and improvements contained therein.

3.5 Utility Easements. Use of the Common Areas for utilities as well as use of the other utility easements as shown on relevant plats, shall be in accordance with the applicable provisions of this Declaration. The Developer and its affiliates, and its and their designees, shall have a perpetual easement over, upon, and under the Common Areas for the installation and maintenance of community or cable TV and security and other underground television, radio and security cables for service to the Lots and other portions of the Development.

3.6 Public Easements. Fire, police, health and sanitation, park maintenance, and other public service personnel and vehicles shall have a permanent and perpetual easement for ingress and egress over and across the Common Areas.

3.7 Ownership and Use.

(a) The Common Areas shall be for the nonexclusive joint and several use, in common, of the Developer and the Owners of all Lots that may from time to time constitute part of the Property and the Developer's and such Owners' tenants, guests and invitees.

(b) The Common Areas (or appropriate portions thereof) shall, upon the later of completion of any improvements thereon or the date when the first Lot with a residence built thereon within the Property has been conveyed to a purchaser (or at any time and from time to time sooner at the sole election of the Developer), be conveyed to the Association, which shall accept such conveyance.

(c) Beginning from the date on which this Declaration is recorded, the Association shall be responsible for the maintenance of the Common Areas (whether or not then conveyed or to be conveyed to the Association or the Local Government as the case may be), such maintenance to be performed in a continuous and satisfactory manner.

(d) The Common Areas cannot be mortgaged or conveyed without the affirmative vote of seventy-five percent (75%) of the Class A Members of the Association.

(e) It is intended that all real estate taxes assessed against that portion of the Common Areas owned or to be owned by the Association shall be proportionately assessed against and payable as part of the taxes of the Lots. However, notwithstanding the foregoing, in the event that any such taxes are assessed directly against the Common Areas, the Association shall be responsible for the payment of those taxes, including taxes on any improvements and any personal property located thereon.

(f) The Developer and its affiliates shall have the right from time to time to enter upon the Common Areas and other portions of the Property for the purpose of construction, reconstruction, repair, replacement, and/or alteration of the any Improvements or facilities on the Common Areas or elsewhere on the Property, that the Developer and its affiliates elect to effect, and to use the Common Areas and other portions of the Property for sales, displays, and signs of any portion of the Development.

(g) Without limiting the generality of the foregoing, the Developer and its affiliates shall have the specific right to maintain upon any portion of the Property sales, administrative, construction, and other offices without charge, and appropriate easements of access and use are expressly reserved unto the Developer and its affiliates, and its and their successors, assigns, employees, and contractors, for this purpose.

(h) Any obligation to complete portions of the Common Areas shall, at all times, be subject and subordinate to these rights and easements and to the above-referenced activities. Accordingly, the Developer shall not be liable for delays in such completion to the extent resulting from the above-referenced activities.

3.8 Other Easements.

(a) The Owner of each Lot shall have an easement of access over and upon adjoining Lots and the Common Areas for the purpose of allowing such Owner to maintain and repair air-conditioning compressors, air-conditioning equipment, meters, and other equipment serving such Owner's Lot which may be located on or near the Lot boundary, or that extend onto such adjoining Lots or Common Areas. Easements are reserved over each Lot and the Common Areas in favor of each other Lot and the Common Areas in order to permit drainage and run-off from one Lot (and its improvements) to another or to the Common Areas or from the Common Areas to any Lot or Lots.

In the event any portion of any Lot (or of the improvements thereon) encroaches upon the Common Areas as a result of the construction, reconstruction, repairs, shifting, settlement, or moving of any portion of the Property, a valid easement for the encroachment is hereby created and granted. Notwithstanding the foregoing, no easement for an encroachment shall exist for any encroachment occurring due to the willful conduct of an Owner. The Association is hereby granted an easement, for itself and its contractors, over the Lot of each Owner for the purpose of enforcing the provisions of this Declaration, and may go upon any Lot as necessary to remove or repair any cause or condition that constitutes a violation of any provision of this Declaration. If the Association, after notice to the Owner and failure to cure by the Owner (as more particularly provided below), does in fact exercise its right to cure such a cause or condition, then all costs incident to the Association's actions shall become the personal obligation of the Owner and be imposed as a lien against the Lot in the same fashion as if those sums represented monies due for unpaid assessments.

(b) The Association shall have the right to grant permits, licenses, and easements over the Common Areas for utilities, roads, and other purposes reasonably necessary or useful for the proper maintenance and operation of the Development. The Association shall be required to grant all easements or agreements as required by jurisdictional agencies as a result of the development of the Property into a subdivision.

(c) The Association shall have a perpetual non-exclusive easement over all areas of the surface water or stormwater management system for access to operate, maintain or repair the system. By this easement, 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 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 Water Management District.

3.9 Future Development Easements. In conjunction with the development of other surrounding lands (not necessarily abutting lands), the Association shall be required to grant the Developer and its affiliates, and their respective successors and assigns, upon request, necessary easements as required by jurisdictional agencies for the installation and maintenance of underground facilities and equipment such as water or line, sanitary sewers, storm drains, and electric, telephone and security lines, cables, and conduits, under and through the common area tracts and other lands owned by the Association as shown on the plats of the Property. In conjunction with the development of interconnected road networks of other surrounding lands (not necessarily abutting lands), the Association shall be required to grant the Developer and its affiliates, and their respective successors and assigns, upon request, necessary easements for ingress and egress as may be required by jurisdictional agencies through the common area tracts and other lands owned by the Association as shown on the plats of the Property. The Association shall not deed common area lands or lands owned by the Association without prior written consent of the Developer.

ARTICLE IV COVENANT FOR MAINTENANCE ASSESSMENTS

4.1 Creation of the Lien and Personal Obligation of the Assessments.

(a) *Annual Assessments.* Except as provided elsewhere herein, each Owner of a Lot by acceptance of a deed or conveyance thereof, whether or not it shall be so expressed in such deed or other conveyance, shall be deemed to covenant and agree to pay to the Association annual assessments for the maintenance, management, operation, and insurance of the Common Areas, administration of the Association, and for funding other permitted or required activities of the Association, including capital improvement assessments, assessments for maintenance, and all other charges and assessments hereinafter referred to, all such assessments to be fixed, established, and collected from time to time as herein provided and in accord with all other provisions herein.

(b) *Special Assessments and Other Charges.* In addition, special assessments may be levied against particular Lots or Owners (to the exclusion of others). The Association may also levy other charges against specific Lots or Owners as contemplated in this Declaration.

(c) *Personal Obligation.* The annual, special, and other assessments, together with such interest thereon and costs of collection thereof as hereinafter provided, shall also be the personal

obligation of the person who is the owner of the Lot against which the assessment is levied at the time when the assessment fell due and the obligation of all subsequent Owners until paid.

(d) *Uniformity.* Except as provided herein with respect to special assessments which may be imposed on one or more Lots and Owners to the exclusion of others, all assessments imposed by the Association shall be imposed against all Lots equally.

(e) *Initiation Assessment.* Each time a Lot is conveyed or title is otherwise transferred by an Owner to his successor, an initiation assessment of \$300.00 shall be due to the Association from either the new Owner or the conveying Owner. Each initiation assessment shall be paid to the Association concurrent with the conveyance or other transfer of title, and shall constitute a lien against the applicable Lot until paid in full. The Board of Directors may from time to time increase the initiation assessment. The initiation assessment shall not increase by more than fifteen percent (15%) during any calendar year unless the Owners approve by majority vote a greater increase. The initiation assessments may be used in the discretion of the Board of Directors for any purpose for which the annual assessment may be used. The initiation assessment may sometimes be referred to below as the "initiation fee."

All references in the Declaration to "Assessments" shall be deemed to include reference to any and all of the aforesaid charges whether or not specifically mentioned.

4.2 Purpose of Assessments. The annual Assessments levied by the Association shall be used exclusively for maintenance of the Common Areas (including walls), for certain Lot maintenance performed by or at the direction of the Board as provided for in this Declaration, for capital improvements, insurance, cash reserves (if any), and for promoting the health, safety, welfare, and recreational opportunities of the Members of the Association and their families residing with them, their guests and tenants, all as provided for herein. Payment of taxes on the Common Areas shall be a purpose of the Association and shall be paid by the Association from Assessments. Assessments shall also be used for the maintenance and repair of the Surface Water or Stormwater Management Systems including but not limited to work within retention areas, drainage structures, swales and drainage easements.

4.3 Specific Damage. Owners (on their behalf and on behalf of their children, guests and other Occupants) causing damage to any portion of the Common Areas as a result of misuse, negligence, failure to maintain, or otherwise shall be directly liable to the Association for the cost of repairing damages or otherwise remedying the effects of their actions, and a special Assessment may be levied therefor against such Owner or Owners. Such special Assessments shall be subject to all of the provisions hereof relating to other Assessments, including, but not limited to, the lien and foreclosure procedures.

4.4 Exterior Maintenance. Each Owner, except as contemplated specifically herein, shall maintain the structures and grounds on his Lot at all times in a clean and attractive condition as provided elsewhere herein. Upon an Owner's failure to do so, the Association may at its option, after giving the Owner ten (10) days written notice sent to his last known address, or to the affected Lot, cut that portion of the grass, weeds, shrubs, and vegetation which the Owner is to maintain when and as often as the Association deems necessary in its judgment, and dead trees, shrubs, and plants removed from such Lot, and other areas resodded or landscaped, or the Association may otherwise do that which the Association

deems necessary to place that Lot and the improvements thereon in full compliance with this Declaration; and all expenses of the Association for work performed or actions taken under this provision shall be a lien and special Assessment charged against the Lot on which the work was done and shall be the personal obligation of all Owners of such Lot. No bids need to be obtained by the Association for any such work and the Association shall designate the contractor or other service provider in its sole discretion.

4.5 Commencement of Annual Assessments; Initial Assessment; Due Dates; Increases.

(a) The annual Assessments provided for in this Article shall commence as to all Lots on the first day of the month next following the recording of this Declaration, and shall be applicable through December 31 of such year. Each subsequent annual Assessment shall be imposed for the year beginning January 1 and ending December 31.

(b) The annual Assessments shall be payable in advance in monthly installments, or in annual, semi-annual, or quarter-annual installments if so determined by the Board of Directors.

(c) The initial annual Assessments for the calendar year ending on December 31, 2006, shall not exceed \$1,000.00.

(d) The due date of any special Assessment shall be fixed in the Board resolution establishing such Assessment.

(e) At least thirty (30) days before the expiration of each calendar year, the Board will prepare and distribute to each Owner a proposed budget for the Association's operations during the next ensuing calendar year. If such budget requires an annual Assessment of 115% or less of the annual Assessment then in effect, the assessment so proposed will take effect at the commencement of the next ensuing calendar year without further notice to any Owner. If such budget requires an annual Assessment that is more than one hundred fifteen percent (115%) of the annual Assessment then in effect, then the Board shall call a special membership meeting on not less than fifteen (15) days prior notice for the purpose of approving such increase. A majority of the votes of those Members present and voting is sufficient for such approval, and the Assessment approved will take effect at the commencement of the next ensuing calendar year without further notice to any Owner. If the proposed Assessment is disapproved, a majority of the votes will determine the annual Assessment for the next ensuing calendar year, which may be in any amount not exceeding that stated in the meeting notice.

(f) The Assessment amount (and applicable installments) for a given calendar year may be changed by the Board at any time from that originally stipulated or from any other Assessment that is in the future adopted, so long as the change does not result in a new Assessment of more than 115% of the current Assessment for the period to which the new Assessment applies. The original Assessment for any year shall be levied for the calendar year, but the amount of any revised Assessment to be levied during any period shorter than a full calendar year shall be in proportion to the number of months (or other appropriate installments) remaining in such calendar year.

4.6 Duties of the Board of Directors.

(a) The Board of Directors shall fix the commencement date and the amount of the Assessment against each Lot subject to the Association's jurisdiction for each calendar year at least thirty (30) days in advance of such date or period, and shall, at that time, prepare a roster of the Lots and Assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner.

(b) Written notice of the Assessment shall be sent to every Owner subject thereto thirty (30) days prior to the due date for payment of the first installment thereof, except as to emergency Assessments. In the event no such notice of a change in the Assessments for a new assessment period is given, the amount payable shall continue to be the same as the amount payable for the previous period, until changed in the manner provided for herein.

(c) The Association shall, upon demand and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the Assessments on a specified Lot have been paid. A properly executed certificate of the Association reporting on the status of Assessments on a Lot is binding upon the Association as of the date of its issuance. The Association may delegate to a management company, financial institution, or mortgage company responsibility for collection of Assessments.

(d) The Association, through the action of its Board of Directors, shall have the power, but not the obligation, to enter into an agreement or agreements from time to time with one or more persons, firms, or corporations (including affiliates of the Developer) for management services. The Association shall have all other powers provided in its Articles of Incorporation and Bylaws.

4.7 Effect of Non-Payment; the Personal Obligation; the Lien; Remedies of the Association.

(a) If the Assessments (or installments) are not paid on the date(s) when due (being the date(s) specified herein), then such Assessments (or installments) shall become delinquent and shall thereupon, together with late charges, interest, and the cost of collection thereof as hereinafter provided, become a continuing lien on the Lot which shall bind that Lot in the hands of the then Owner, his heirs, personal representatives, successors, and assigns. The personal obligation of the then Owner to pay such Assessment shall pass to his successors in title and recourse may be had against either or both.

(b) If any installment of an Assessment is not paid within thirty (30) days after the due date, at the option of the Association, a late charge not greater than five percent (5%) of the amount of such unpaid installment may be imposed (provided that only one late charge may be imposed on any one unpaid installment and if such installment is not paid thereafter, it and the late charge shall accrue interest as provided herein but shall not be subject to additional late charges; provided further, however, that each other installment thereafter coming due shall be subject to one late charge each as aforesaid), and, in the Board's discretion, the next 12-months of installments may be accelerated and become immediately due and payable in full, and all such sums shall bear interest from the dates when due until paid at the highest lawful rate.

(c) The Association may bring an action at law against the Owner(s) personally obligated to pay the Assessment or may record a claim of lien (as evidence of its lien rights as hereinabove provided for) against the Lot on which the Assessments and late charges are unpaid and may foreclose the lien (in the manner to foreclose a mortgage) against the Lot on which the Assessments and late charges are unpaid. The Association may pursue one or more of such remedies at the same time or successively, and reasonable attorneys' fees and costs of preparing and filing the claim of lien and the complaint, if any, in such action shall be added to the amount of such Assessments, late charges, and interest. In the event a judgment is obtained, such judgment shall include all such sums as above provided and reasonable attorneys' fee to be fixed by the court together with the costs of the action, and the Association shall be entitled to reasonable attorneys' fees in connection with any appeal of any such action, if the Association is successful in the appellate court. No Owner may waive or otherwise escape liability for the Assessments provided for herein by non-use of the Common Areas or abandonment of his Lot.

(d) In the case of an acceleration of the next twelve (12) months of installments, each installment so accelerated shall be deemed, initially, equal to the amount of the then most current delinquent installment, provided that if any such installment so accelerated would have been greater in amount by reason of a subsequent increase in the applicable Assessment or budget, the Owner of the Lot whose installments were so accelerated shall continue to be liable for the balance due by reason of such increase and special Assessments against such Lot may be levied by the Association for such purpose.

(e) No Owner acquiring title to a Lot against which an Assessment is delinquent shall be entitled to enjoy or use the Common Areas until such time as all unpaid and delinquent Assessments due and owing from the selling Owner have been paid; provided, however, that the provisions of this sentence shall not be applicable to the mortgages and purchasers contemplated by the Section below in this Article entitled "Subordination of the Lien." The Board shall also have the right to suspend any or all voting rights of any Owner who has failed to pay annual Assessments due from him within ninety (90) days after such Assessments become due.

(f) It shall be the legal duty and responsibility of the Association (as hereinafter contemplated) to enforce payment of the Assessments hereunder. Failure of the Association to send or deliver bills shall not, however, relieve Owners from their obligations hereunder. Notwithstanding the foregoing obligations, the Association may compromise or settle any claim(s) for delinquent Assessments upon terms which the Board, in its sole discretion, deems reasonable and in the best interest of the Association.

(g) All Assessments, late charges, interest, penalties, fines, reasonable attorneys' fees, and other sums provided for herein shall accrue to the benefit of the Association.

(h) Owners shall be obligated to deliver the documents originally received from the Developer, containing this and other declarations and documents, to any grantee of such Owner.

4.8 Subordination of the Lien. The lien of the Assessments provided for in this Article shall be a lien superior to all other liens except real estate tax liens and the lien of any mortgage to any Institutional Lender now or hereafter encumbering a Lot. Notwithstanding the foregoing, an Institutional Lender mortgagee, when in possession, or any receiver, and in the event of a foreclosure, any purchaser at

a foreclosure sale, and any such mortgagee acquiring a deed in lieu of foreclosure, and all persons claiming by, through, or under such purchaser or mortgagee, shall hold title subject to the liability and lien of any Assessment coming due after such foreclosure (or conveyance in lieu of foreclosure). Any unpaid Assessment which cannot be collected as a lien against any Lot by reason of the provisions of this Section shall be deemed to be an Assessment divided equally among, payable by, and a lien against all Lots subject to assessment. No purchaser at a foreclosure sale, and no persons claiming by, through, or under an Institutional Lender acquiring title to a Lot through foreclosure or a deed in lieu thereof, shall be personally obligated to pay Assessments that accrue prior to the Institutional Lender's or the foreclosure purchaser's acquiring title.

4.9 Access at Reasonable Hours. The Association, through its duly authorized agents or employees or independent contractors, shall have the right, after ten (10) days notice to the Owner, to enter upon any Lot at reasonable hours on any day for the purpose of performing exterior maintenance on the Lot, and shall also have a reasonable right of entry upon any Lot to make emergency repairs or to do other work reasonably necessary for the proper maintenance or operation of the Development.

4.10 The Developer's Assessment. The Developer, as a Lot Owner shall be relieved from the obligation of paying Assessments levied against the Lots owned by the Developer, but instead shall be obligated to pay any operating expenses incurred by the Association that exceed the Assessments receivable from other Members and other income of the Association. The Developer may at any time elect in lieu of paying operating deficits as provided above, to pay the same Assessments as are paid by other Owners, in which event Developer shall no longer be obligated to pay the operating deficits.

4.11 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, shall be held by the Association for the Owners of all Lots, as their interest may appear, and may be invested in interest-bearing or non-interest bearing accounts, in certificates of deposit, in money market accounts, 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.

4.12 Homeowner's Documents, Books and Papers. The Association shall have current copies of the Declaration, the Bylaws of the Association, the Articles of Incorporation, the Rules and Regulations for the Property, and the books, records, and financial statements of the Association available for inspection, upon request, during normal business hours, to Members and Institutional Lenders, and to holders, insurers, or guarantors of any first mortgage on any Lot. The Association may adopt reasonable rules governing the frequency, time, location, notice, and manner of such inspections, and may impose fees to cover the Association's costs of providing copies of such records. Provided, however, said records shall be made available for inspection by Members or their authorized agents at reasonable times and places within ten (10) business days after receipt of a written request for access.

4.13 Reserves for Replacement. The Association may establish and maintain, out of regular Assessments for common expenses, an adequate reserve fund for the periodic maintenance, repair, and replacement of improvements to the Common Areas.

4.14 Exempt Property. All properties dedicated to and accepted by a local public authority shall be exempt from the Assessments created herein.

ARTICLE V
CERTAIN RULES AND REGULATIONS

5.1 Applicability. The provisions of this Article V shall be applicable to all of the Property (and the Owners thereof) but shall not be applicable to the Developer or property owned by the Developer.

5.2 Land Use and Building Type. No Lot shall be used except for residential purposes. No building constructed on a Lot shall be used except for residential purposes. No building shall be erected, altered, placed, or permitted to remain on any Lot other than one single-family house not to exceed two (2) stories or thirty-five (35) feet in height. The minimum square footage of any residence shall be one thousand two hundred (1,200) square feet under heat and air conditioning. Temporary uses by Developer 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 permitted. No changes may be made in buildings erected by the Developer or its affiliates (unless such changes are made by the Developer) without the consent of the Architectural Control Board as provided below. No screening of porches or screen doors shall be allowed on the front facade of homes. No trailer house, manufactured, or otherwise prefabricated house shall be permitted on any Lot.

5.3 Easements. Easements for installations and maintenance of utilities and drainage facilities are reserved as shown on the recorded plats covering the Property, as shown on the final surveys, and as provided herein. Within these easements, no structure, planting, or other material may be placed or permitted to remain that will interfere with, damage, or prevent the maintenance of utilities or obstruct or retard the flow of water through drainage channels in the easements, or otherwise prevent or impede the intended use of the easement, except with the consent of the Board of Directors and the appropriate governmental agency. The area of each Lot covered by an easement and all improvements in the area shall be maintained continuously by the Owner of the Lot, except as provided herein to the contrary and except for installation for which a public authority or utility company is responsible. The appropriate water and sewer authority, electric utility company, telephone company, the Association, and the Developer and its affiliates, and their respective successors and assigns, shall have a perpetual easement for the installation and maintenance of underground facilities and equipment such as water line, sanitary sewers, storm drains, and electric, telephone and security lines, cables, and conduits, under and through the utility easements as shown on the plats of the Property. The Developer and its affiliates, and its and their designees, successors, and assigns, shall have a perpetual easement for the installation and maintenance of cable and community antenna, radio, television, and security lines within platted utility easement areas. All utilities and lines within the Development, whether in street rights-of-way or utility easements, shall be installed and maintained underground.

5.4 Obnoxious or Offensive Activity. No activity or use shall be allowed upon the Property which is a source of annoyance, embarrassment or discomfort to Owners or their tenants or invitees, or which interferes with the peaceful possession and proper use and enjoyment of the Property, nor shall any improper, unsightly, offensive or unlawful use be made of any Lot, Dwelling or the Common Property, and all laws and regulations of applicable governmental bodies shall be observed. The Property shall be used, enjoyed and occupied in such manner as not to cause or produce any of the following effects

discernible outside any Dwelling: noise or sound that is objectionable because of its volume, duration, beat, frequency or shrillness; smoke; noxious, toxic or corrosive fumes or gases; obnoxious odors; dust, dirt or fly ash; unusual fire or explosive hazards; vibration; or interference with normal television, radio or other telecommunication reception by other Owners.

5.5 Temporary Structures. No structure of a temporary character, or trailer, tent, mobile home, or recreational vehicle, shall be permitted on the Property at any time or used at any time as a residence, either temporarily or permanently, except by the Developer and its affiliates or other builders during construction.

5.6 Signs. No sign of any kind shall be displayed on any Lot, except only one sign of not more than five (5) square feet advertising the Lot for sale or for rent (in locations and in accordance with design standards approved by the Architectural Control Board), or any sign used by a builder to advertise the company during the construction and sales period. No sign of any kind shall be permitted to be placed on the outside walls of a residence or on any fences on the Property, nor on the Common Areas, nor on dedicated areas, if any, nor on entry ways within the Property, except such as are placed by the Developer or its affiliates.

5.7 Oil and Mining Operation. No oil drilling, oil development operations, oil refining, quarrying, or mining operations of any kind shall be permitted upon or in the Property, nor on dedicated areas, nor shall oil wells, tunnels, mineral excavations, or shafts be permitted upon or in the Property. No derrick or other structure designed for use boring for oil or natural gas shall be erected, maintained, or permitted upon any Lot or any portion of the Property.

5.8 Pets, Livestock and Poultry. No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any Lot, except household pets (in such numbers as the Board may permit) that are not kept, bred, or maintained for any commercial purpose, and provided that they do not become a nuisance or annoyance to any neighbor. No dogs or other pets shall be permitted to defecate on any Common Areas, except any areas designated by the Association, and Owners shall be responsible to clean up any improper defecations. In no event shall dogs be permitted upon the Common Areas unless leashed. For purposes hereof, "household pets" shall mean dogs, cats, caged domestic birds, and fish. Any Owner who keeps a pet thereby agrees to indemnify the Association and hold it harmless against any and all fines, penalties, claims, demands, expenses, costs, obligations, and liabilities of any kind or character arising from or relating to the pet. Pets shall also be subject to applicable rules and regulations.

5.9 Visibility at Intersection. No obstruction to visibility at street intersections or Common Area intersections shall be permitted, and visibility clearances shall be maintained as required by local law.

5.10 Architectural Control.

(a) No building, wall, fence, swimming pool, or other structure or improvement of any nature (including landscaping or exterior paint or exterior finish) shall be created, placed, applied, altered, or maintained on any Lot until the construction plans, specifications, and a plan showing the location of the structure, landscaping, and intended exterior materials as may be required by the Architectural Control

Board have been approved in writing by the Architectural Control Board named below, and all necessary governmental permits are obtained.

(b) Each building, wall, fence, or other structure or improvement of any nature, together with the landscaping, shall be erected, placed or altered upon a Lot only in accordance with the plans and specifications and plot plan so approved by the Architectural Control Board and with applicable governmental permits and requirements.

(c) Refusal by the Architectural Control Board (ACB) of approval of plans, specifications and plot plans, or any of them, may be based on any ground, including purely aesthetic grounds.

(d) Any change in the exterior appearance of any building (including any change in the exterior color of the building), wall, fence, or other structure or improvements, and any change in the appearance of the landscaping, shall be deemed an alteration requiring approval under this provision.

(e) The Architectural Control Board shall have the power to promulgate such rules and regulations as it deems necessary to carry out the provisions and intent of this paragraph.

(f) The Architectural Control Board shall be appointed by the Board of Directors of the Association. A majority of the Architectural Control Board may take any action the Architectural Control Board is empowered to take, may designate a representative to act for the Architectural Control Board, and may employ personnel and consultants to act for it. In the event of death, disability, or resignation of any member of the Architectural Control Board, the remaining members shall have full authority to designate a successor. The members of the Architectural Control Board shall not be entitled to any compensation for services performed pursuant to this covenant. The Architectural Control Board shall act on submissions to it within forty-five (45) days after receipt of the same (and all further documentation required).

(g) Without limiting the generality of Section 5.1 hereof, the foregoing provisions shall not be applicable to the Developer or its affiliates or to construction activities conducted by the Developer or such affiliates.

5.11 Exterior Appearance and Landscaping. The paint, coating, stain, and other exterior finishing colors and materials on all residential buildings may be maintained as that originally installed without prior approval of the Architectural Control Board. However, prior approval by the Architectural Control Board shall be necessary before any such exterior finishing color or material is changed. The Lot landscaping (except for that portion to be maintained by the Association, if any), including, without limitation, the trees, shrubs, lawns, flower beds, walkways, and ground elevations, shall be maintained by the Owner or by the Association, as provided elsewhere herein, as originally installed, unless the prior approval for any change, deletion, or addition is obtained from the Architectural Control Board. Lot Owners shall mow grass; edge driveways, sidewalks and curb lines; weed planting areas; broom or remove dirt, clipping, and leaves from walks, drives and roads; and trim hedges which would give the appearance of weekly yard maintenance during peak growing seasons (i.e. may not need weekly mowing in winter months, but leaf raking may be required).

5.12 Vehicles. No vehicle may be parked on the Property except on paved streets and paved driveways. No inoperative vehicles shall be allowed to remain on the Property in excess of forty-eight (48) hours unless kept in a garage and not visible from the street or any other Lot. No commercial truck, van, or trailer, or other commercial vehicle or equipment, and no motor home, house trailer, camper, boat, trailer for boat or other water craft, horse trailer, other recreational vehicle, or any other equipment (whether motorized or towed), (collectively the "Prohibited Vehicles") shall be permitted to be parked or stored at any place on any portion of the Property for a period longer than four (4) consecutive hours unless parked within an enclosed garage or within an area of the Property expressly designated by the Developer for the placement of such vehicles. This prohibition on parking shall not apply to any vehicles of the Developer or its affiliates. For purposes of this Section, a commercial vehicle shall include: (a) any vehicle used by a business for the transportation of goods, equipment, materials and the like, or for the transportation of personnel; (b) any vehicle bearing the name of a business or other signage, commercial markings, or advertising (other than the name and logo of the vehicle's manufacturer); c) any vehicle to which racks, railings, or other devices have been attached for the transportation of materials or equipment (other than the bed of an ordinary pickup truck); (d) any other vehicle not customarily used for personal or family transportation; or e) any vehicle including permanent attachments to the vehicle which exceeds 6 feet 8 inches in height. No vehicles or automobiles shall be permitted to be parked or to be stored on easement areas, buffer areas, or any drainage easement within the Property. No vehicles or automobiles shall be permitted to be parked or to be stored on road right-of-way within the Property for a period of twelve (12) consecutive hours or it remains in violation for a period of forty-eight (48) nonconsecutive hours in any seven (7) day period, and said time frames shall be cumulative for all vehicles associated with a Lot Owner (i.e. different vehicles can not be rotated in and out of the street). Any vehicle parked in violation of this Section (or the rules and regulations from time to time adopted by the Association to implement this Section) may be towed by the Association at the sole expense and risk of the vehicle's owner if such vehicle remains in violation from the time a notice of violation is placed upon it. The Association shall not be liable to the owner of the vehicle for trespass, conversion, damages, or otherwise, by reason of such towing, and neither removal of the vehicle nor failure to provide notice of the violation to the vehicle's owner shall be grounds for relief of any kind. 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.

5.13 Garbage and Trash Disposal. No garbage, refuse, trash, or rubbish shall be deposited, dumped, or disposed of within the Property, except as permitted by the Association. The requirements from time to time of the applicable governmental authority for disposal or collection of waste shall be complied with. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition. Containers must be no less than twenty (20) gallons, or more than thirty-two (32) gallons in capacity, and well sealed, or otherwise comply with Local Government requirements, if any. Such containers may not be placed out for collection sooner than twenty-four (24) hours prior to scheduled collection and must be removed within twelve (12) hours of collection. No trash container when stored shall be visible from street (i.e. located in garage, back yard, or side yard screened with hedge or fence). In the event that governmental disposal or collection of waste is not provided to individual Lots, garbage, refuse, trash, or rubbish shall be deposited by each Owner in a dumpster designated by the Association and shall be collected by a private entity hired by the Association.

5.14 Fence. No fences on any Lot shall extend toward the front of any Lot beyond a setback of 15 feet towards the rear of a home from the front corner of the home on the Lot that is nearest the front lot line (15' back from the front of the house). The ACB may adjust the setback at their discretion for the fence due to the location of the abutting home, features thereof, or other features on that Lot, such as trees. No fence or wall shall exceed a height of six (6) feet. The composition, location, and height not specified herein of any other fence or wall to be constructed on any Lot shall be subject to the approval of the Architectural Control Board. Fences in the rear yards of Lots abutting retention areas shall be no higher than five (5) feet in height and shall be constructed of black aluminum. Privacy around the perimeter of the aluminum fence shall be accomplished through landscape materials planted inside the fence perimeter (such as viburnum). No stockade or chain link fences shall be permitted on a Lot. All fences shall be made of aluminum or vinyl (PVC) and shall otherwise comply with guidelines promulgated by the ACB. No fence connecting to a perimeter wall shall at the intersection with the perimeter wall exceed the height of the perimeter wall. To the extent tapering is necessary to ensure no fence so exceeds the height of a perimeter wall, such tapering shall commence at a standard rate at least eight feet (8') before the intersection of the fence and wall. The Owner of any Lot containing a fence facing a right-of-way shall plant shrubs (such as viburnum) along the fence, between the fence and the right -of-way except where a gate opening is required including but not limited to fence viewed from the front of the home and fencing along side yards of corner lots. On odd shaped and corner lots, no fence shall be located closer to the right-of-way line than the home, unless approved by the ACB.

5.15 No Drying. To the extent lawful, no clothing, laundry, or wash shall be aired or dried out of doors on any portion of the Property.

5.16 Unit Air Conditioning, Reflective Materials & Window Treatments. No air conditioning units may be mounted through windows or walls. No building shall have any aluminum foil placed in any window or glass door, or any reflective substance or other materials (except standard window treatments) placed on any glass, except such as may be approved by the Architectural Control Board for energy conservation purposes. No stickers, decals, flags, signs, or lights of any kind shall be placed on inside or outside of windows or doors. No temporary or permanent interior or exterior window treatments shall be allowed such as sheets, cardboard, or newspaper.

5.17 Metal Out Buildings. No out-buildings or sheds of any kind shall be constructed or placed on any Lot.

5.18 Garages. All residences must have at least two-car garages. No carports are permitted. All garage doors must be maintained in operating condition. No garage may be converted to living space without the prior approval of the Architectural Control Board.

5.19 Landscaping. The basic landscaping plan for each house must be submitted to and approved by the Architectural Control Board. St. Augustine sodding and sprinkler system will be required on all yards. Yard shall mean all the land within the property boundaries which is not paved and the land between the property line and the back of curb of the roadway. Meandering sidewalks and street trees shall be placed according to the approved subdivision construction plans.

5.20 Swimming Pools. Any swimming pool constructed on any Lot shall be subject to the following restrictions, reservations, and conditions:

(a) On interior Lots, the outside edge of any pool shall be setback from the side and rear Lot lines distances at least equal to the setbacks required for the residence on that Lot either by this Declaration or by applicable zoning restrictions, whichever setback distance is greater. Corner Lots will be reviewed by the Architectural Control Board on an individual basis.

(b) Pool screening must be approved in advance by the ACB.

(c) No overhead electrical wires shall cross the pool. All pool lights other than underwater lights must be four (4) feet from the edge of the pool.

(d) The pool itself must be enclosed with a screen enclosure and otherwise protected as required by applicable laws.

5.21 Antennas and Dishes. No exterior antennas, aerials, satellite dishes, or other apparatus greater than one (1) meter in diameter for the transmission of television, radio, satellite, or other signals shall be placed, allowed, or maintained upon any portion of a Lot. No short wave operations of any kind shall operate from any Lot. Provided, however, the placement and location of antennas, aerials, satellite dishes, or other apparatus that are less than or equal to one (1) meter in diameter shall be subject to reasonable restrictions of the Architectural Control Board and when feasible shall be placed out of view from roadway.

5.22 Water Supply System. No individual water supply system shall be permitted on any Lot without the approval of the Architectural Control Board. The above does not restrict the right of any Owner to install, operate, and maintain a water well on the premises for use restricted to swimming pool and/or irrigation purposes.

5.23 Air Conditioning Units, Gas Storage Tanks & Other Exterior Equipment. No gas storage tank or air conditioning units, either central or wall type, shall be placed on the front of any Dwelling, side yard of a corner lot or otherwise placed or located so as to be visible from any public street. All oil tanks, soft water tanks, wood piles, water softeners, well pumps, sprinkler pumps, pool and spa equipment and heaters, and other or similar mechanical fixtures and equipment, shall be placed on the front of any Dwelling, side yard of a corner lot or otherwise placed or located so as to be visible from any public street.

5.24 Waterfront Lots. Owners of Lots fronting retention ponds will not be permitted to construct docks, floating or otherwise, boat davits, pier, or other structures in retention ponds. No swimming or water skiing, and no boats in excess of eighteen feet (18') in length, will be permitted in lakes or retention ponds and no gasoline (combustion) engines will be permitted. If docks on lakes allowed by jurisdiction zoning codes, Owners of Lots shall have all dock structures into lakes approved by ACB.

5.25 Conservation/Preserve Lots. Owners of Lots fronting preserve or conservation areas are prohibited from dumping trash, debris, or landscape material of any kind whatsoever in said area or otherwise disturbing the natural state of said areas. Owners are prohibited from constructing any improvements or structures in said areas (e.g., walkway, fencing, or the like); clearing existing vegetation;

or otherwise altering the conservation/mitigative areas without the prior approval of any city, the County, State of Florida and other applicable jurisdictional agencies requiring permit approval.

5.26 Increase in Insurance Rates. No Owner may take any action which will result in an increase in the rate of any insurance policy or policies covering any portion of the Common Areas.

5.27 Casualties. In the event that improvements on a Lot, in whole or in part, are destroyed by casualty or otherwise, or in the event any improvements upon the Common Areas are damaged or destroyed by casualty or otherwise, the Owner thereof or the Association, as the case may be, shall promptly clear all debris resulting therefrom and (subject to the duties and obligations of the Association) commence either to rebuild or repair the damaged improvements in accordance with the terms and provisions of this Declaration.

5.28 Yard Accessories and Play Structures. All yard accessories and play structures, including basketball backboards, treehouses, and any other fixed games, shall be located in the rear yard of the home (behind back wall of the home), except that, in the case of the home on corner Lots, such accessories and structures shall be restricted to the side yard furthest from the side street and to that portion of the rear yard which is no closer to the side street than a fence would be permitted. All yard accessories and play structures on all Lots including side yard views on corner Lots shall be obstructed from view at the street by a 6' solid fence and landscaping approved by the ACB. No permanent basketball poles or backboards are permitted. Portable basketball poles and backboards are allowed only when in use and must otherwise be stored out of sight.

5.29 Tree Removal and Landscaping. Except by the Developer, trees measuring six inches (6") or more in diameter at three feet (3') or more above ground level shall not be cut or removed without the prior written consent of the ACB; provided, however, trees located within six feet (6') of the location of the Dwelling as approved by the ACB may be removed without prior approval. More restrictive arbor ordinances or environmental laws shall control in the event of conflict herewith. There shall be no removal of trees or Lot clearing, other than clearing of underbrush, until the ACB has approved in writing a general, conceptual landscape plan that designates those existing trees to be retained and preserved on the Lot.

5.30 INTENTIONALLY OMITTED.

5.31 Developer Reservation. Any provision of this Declaration to the contrary notwithstanding, until Developer has completed all of the contemplated improvements and closed the sales of all of the Lots, neither the Owners nor the Association shall interfere with the completion of Developer's planned improvements and the sale of the Lots. Developer may make such lawful use of the unsold Lots and the Common Property, without charge, as may facilitate such completion and sale, including, but not limited to, maintenance of sales and construction trailers and offices, the showing of the Lots and the display of signs and the use of Lots for vehicular parking. Without limiting the generality of the foregoing, except only when the express provisions of this Declaration prohibit the Developer from taking a particular action, nothing in this Declaration shall be understood or construed to prevent or prohibit Developer from any of the following:

(a) Doing on any property owned by it whatever it determines to be necessary or advisable in connection with the completion of the development of the Property, including without limitation, the alteration of its construction plans and designs as Developer deems advisable in the course of development (all models or sketches showing plans for future development of the Property, as same may be expanded, may be modified by the Developer at any time and from time to time, without notice); or

(b) Erecting, constructing and maintaining on any property owned or controlled by Developer such structures as may be reasonably necessary for the conduct of its business of completing said development and establishing the Property as a community and disposing of the same by sale, lease or otherwise; or

(c) Conducting on any property owned or controlled by Developer, its business of developing, subdividing, grading and constructing improvements in the Property and of disposing of Lots therein by sale, lease or otherwise; or

(d) Determining in its sole discretion the nature of any type of improvements to be initially constructed as part of the Property; or

(e) Maintaining such sign or signs on any property owned or controlled by Developer as may be necessary or desired in connection with the operation of any Lots owned by Developer or the sale, lease, marketing or operation of Lots; or

(f) Filing Supplemental Declarations which modify or amend this Declaration, which add or withdraw Additional Property as provided in this Declaration, or otherwise limit or impair the Developer from effecting any action which may be required of Developer by any city, the County, or any other federal, state or local governmental or quasi-governmental agency in connection with the development and continuing operation of the Property; or

(g) Modifying, changing, re-configuring, removing or otherwise altering any improvements located on the Common Property or utilizing all or portions of the Common Property for construction access or staging (provided that same does not impair existing access or utility services to the Lots); or

(h) Causing utilities to be available to all portions of the Property, including, but not limited, to the granting of easements and rights of way as may be necessary to locate, install and maintain facilities and connections.

5.32 Ramps. No skateboard or bicycle ramp or similar structure shall be permanently installed or maintained overnight on any portion of any Lot located forward of the rear wall of the Dwelling or adjacent to any side street.

5.33 Mailboxes. A mailbox installed by an Owner must be a U.S. Postal Service-approved mailbox that also meets the requirements of the ACB.

5.34 Address Plaque. Each Owner shall maintain on his Lot a plaque containing the street address of the Lot of a size and style approved by the ACB.

5.35 Yard and House Ornaments and Flags. Exterior sculpture, flags, and similar items, including, but not limited to, the following: pink flamingoes or similar displays; landscape bolders; white rocks (tan rocks are approved for mulch material under hedges); driveway lighting; stepping stones; bird baths; water fountains; wall decorations such as family names; wall planters; and swings; must be approved by the ACB; provided, however, that nothing herein shall prohibit the appropriate display of one portable, removable United States flag in a respectful way, or the display in a respectful way on Armed Forces Day, Memorial Day, Flag Day, Independence Day, and Veterans Day, of portable, removable official flags, not larger than 4 1/2 feet by 6 feet, that represent the United States Army, Navy, Air Force, Marine Corps, or Coast Guard. Holiday or religious decorations may be tastefully displayed (as determined by the ACB) between December 1 and January 15.

5.36 Solar Collectors. Solar collectors shall not be permitted without the prior written consent of the ACB. Any approval of the ACB shall require that the solar collectors be so located on the Lot that they are not visible from any Street and that their visibility from surrounding Lots is restricted as much as practical.

5.37 Reconstruction. Any repair, rebuilding, or reconstruction on account of casualty or other damage to any Common Areas or any part or parts thereof shall be substantially in accordance with the plans and specifications for such property and areas as originally constructed or with new plans and specifications approved by the Architectural Control Board. Any repair, rebuilding, or reconstruction on account of casualty or other damage to any improvements or any part or parts thereof shall be substantially in accordance with the plans and specifications for such property and areas as originally constructed or the new plans and specifications approved by the Architectural Control Board, including but not limited to house design, construction materials, paint color schemes, shingle style and colors.

ARTICLE VI ENFORCEMENT

6.1 Compliance by Owners. Every Owner shall comply with the easements, restrictions, and covenants set forth herein and any and all rules and regulations which from time to time may be adopted by the Board of Directors.

6.2 Enforcement. Failure of an Owner to comply with such easements, restrictions, covenants, or rules and regulations shall be grounds for immediate action which may include, without limitation, an action to recover sums due for damages, injunctive relief, or any combination thereof. The Association shall have the right to suspend voting rights of defaulting Owners in accordance with this Declaration and with applicable law. The offending Owner shall be responsible for all costs of enforcement, including reasonable attorneys' fees actually incurred and court costs. The Water Management District shall have the right to enforce, by a proceeding at law or in equity, the provisions contained in this Declaration which relate to the maintenance, operation and repair of the Surface Water or Stormwater Management System.

6.3 Fines. In addition to all other remedies, in the sole discretion of the Board of Directors 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 procedures are adhered to:

(a) Notice. The Association shall notify the Owner of the alleged infraction or infractions. Included in the notice shall be the date and time of a special meeting of a committee of the Board at which time the Owner shall present reasons why penalties should not be imposed. At least fourteen (14) days' advance notice of such meeting shall be given.

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

(c) Penalties. The committee of the Board may impose special assessments against the Lot owned by the Owner as follows:

The committee may levy fines not to exceed \$100.00 for each violation. The fine may be levied for each day a continuing violation continues (and no additional notice or hearing shall be required); provided, however, the aggregate total fine for a violation shall not exceed \$5,000.00.

(d) Payment of Penalties. Fines shall be paid not later than five (5) days after notice of the imposition or assessment of the penalties.

(e) Collection of Fines. Fines shall be treated as an Assessment subject to the provisions for the collection of Assessments as set forth herein.

(f) Application of Penalties. All monies received from fines shall be allocated as directed by the Board of Directors, subject always to the provisions of this Declaration.

(g) Non-Exclusive Remedy. These fines shall not be construed to be exclusive, 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.

(h) Applicable Law. To the extent applicable law regulates the imposition of fines by the Association, notwithstanding the procedures, restrictions, and other details prescribed above, the Association's right to impose fines shall conform to, and this provision shall be deemed amended to conform to, applicable law; and the Association's right to impose fines shall be coextensive with the maximum right permitted by the law.

ARTICLE VII INSURANCE

7.1 Coverage. The Association shall maintain insurance covering the following:

(a) Casualty. All improvements located on the Common Areas from time to time, together with any and all fixtures, building service equipment, personal property, and supplies constituting the Common Areas or owned by the Association (collectively the "Insured Property"), which shall be insured in an amount not less than one hundred percent (100%) of the full insurable replacement value thereof, excluding foundation and excavation costs. Such policies may contain reasonable deductible provisions as determined by the Board of Directors of the Association. Such coverage shall afford protection against (I) loss or damage by fire and other hazards covered by a standard extended coverage endorsement; and (ii) such other risks as from time to time are customarily covered with respect to buildings and improvements similar to the Insured Property in construction, location and use, including, but not limited to, vandalism, malicious mischief, and those covered by the standard "all risk" endorsement.

(b) Liability. Comprehensive general public liability and automobile liability insurance covering injury, loss, or damage resulting from accidents or occurrences on or about or in connection with the Insured Property or adjoining driveways and walkways, or any work, matters or things related to the Insured Property (including, but not limited to, liability arising from law suits related to employment contracts to which the Association is a party), with such additional coverage as shall be required by the Board of Directors of the Association, but with combined single limit liability of not less than \$1,000,000.00 for each accident or occurrence, \$100,000.00 per person and \$50,000.00 property damage, and with a cross liability endorsement to cover liabilities of the Owners as a group to any Owner, and vice versa.

(c) Flood Insurance. Flood insurance covering the Insured Property shall be maintained by the Association if the Development is in a special flood hazard area or if the Association so elects. The amount of flood insurance shall be the lesser of: (i) 100% of the current replacement cost of the Insured Property; or (ii) the maximum coverage available for the Insured Property under the National Flood Insurance Program.

(d) Fidelity Insurance or Bonds. Naming the Association as obligee and covering all directors, officers, and employees of the Association shall be maintained by the Association in amount which is the greater of \$10,000.00 or the maximum amount of funds that will be in custody of the Association at any time while the bond is in force; notwithstanding the foregoing sentence, however, such fidelity insurance or bond shall not be for an amount less than the sum of three (3) months assessments on all Units and Lots, plus the Association's reserve funds for each person so insured or bonded.

(e) Other Insurance. The Association may also maintain worker's compensation or such other insurance as the Board may determine from time to time including officers' and directors' liability insurance.

Every casualty policy obtained by the Association shall have the following endorsements: (I) agreed amount and inflation guard, (ii) steam boiler coverage (providing at least \$50,000.00 coverage for

each accident at each location), if applicable, and (iii) an appropriate endorsement covering the costs of changes to undamaged portions of the improvements (even when only a portion thereof is damaged by an insured hazard) if any applicable construction code requires such changes.

7.2 Additional Provisions. All policies of insurance and fidelity bonds shall provide that such policies and bonds may not be canceled or substantially modified without at least thirty (30) days prior written notice to all of the named insureds, including all mortgages of Units and Lots, including each service that services a Federal National Mortgage Association owned mortgage encumbering a Unit and Lot located in the Development.

7.3 Premiums. Premiums upon insurance policies purchased by the Association shall be paid by the Association as a common expense, except that the amount of increase in the premium occasioned by misuse, occupancy, or abandonment of any one or any other action or omission of, particular Owners shall be assessed against and paid by such Owners. Premiums may be financed in such manner as the Board of Directors deems appropriate.

ARTICLE VIII NOTICES

8.1 Notices to Member or Owner. In addition to such other manners for providing notice as are permitted or prescribed in this Declaration, the Bylaws, or the Articles of Incorporation, any notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have been sent when personally delivered or mailed, postage-paid, to the last known address of the person who appears as Member or Owner on the records of the Association at the time of such mailing.

ARTICLE IX STANDARD DEVELOPMENT AND ANNEXATION

9.3 Annexation of Additional Property. At any time while there is Class B Membership, the Developer, in its sole discretion, may subject or cause to be subjected, other real property to the lien and scope of this Declaration ("**Additional Property**"). Additional Property may be subjected hereto by a recitation to that effect in a supplemental declaration which need be executed only by the Developer and the owner of such real property (if not the Developer) and shall be effective upon the recording of the supplemental declaration in the Public Records of the County. The joinder, execution, or consent of the Association or any Owners shall not be required. The supplemental declaration shall describe the real property which is being made subject to the lien and scope of this Declaration and shall contain such other terms and provisions as the Developer deems proper. Upon the recording of a supplemental declaration adding Additional Property to the lien and scope of this Declaration, the Additional Property described therein shall be owned, held, sold, conveyed, leased, mortgaged, and otherwise dealt with, subject to the easements, covenants, conditions, restrictions, liens, terms and provisions contained in this Declaration and shall be considered "Property" as fully as though originally designated herein as Property. After the time that Class B Membership ceases to exist, the Association shall have all of the foregoing rights to add Additional Property, except that such rights may be exercised only upon the affirmative vote of seventy-five percent (75%) of the Members. Such annexation shall otherwise be accomplished as set forth above for annexations by the Developer, shall have the same affect and shall become effective upon the

recording of an amendment to this Declaration evidencing the annexation in the Public Records of the County.

9.4 Platting. As long as there is a Class B membership, the Developer shall be entitled at any time and from time to time, to plat and/or replat all or any part of the Property and to file subdivision restrictions and/or amendments thereto with respect to any undeveloped portion or portions of the Property or Development without the consent or approval of an Owner.

9.5 Amendment. The provisions of this Article IX cannot be amended without the written consent of the Developer, and any amendment of this Article IX without the written consent of the Developer shall be deemed null and void.

ARTICLE X GENERAL PROVISIONS

10.1 Duration. The easements, conditions, covenants, and restrictions of this Declaration shall run with and bind the Property, and shall inure to the benefit of and be enforceable by the Developer, the Association, the Architectural Control Board, and the Owner of any land subject to this Declaration, and their respective legal representatives, heirs, successors, and assigns, for a term of ninety-nine (99) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years each unless an instrument signed by the then Owners of seventy-five percent (75%) of all the Lots subject hereto has been recorded, agreeing to revoke this Declaration. Provided, however, that no such agreement to revoke shall be effective unless made and recorded three (3) years in advance of the effective date of such revocation, and unless written notice of the proposed agreement is sent to every Owner at least ninety (90) days in advance of any action taken.

10.2 Association Powers. The Association shall have all powers of a corporation not-for-profit set forth in Chapter 617, Florida Statutes.

10.3 Enforcement. Enforcement of these easements, conditions, covenants, and restrictions shall be accomplished by either the Developer, the Association, or any Owner by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenants or restriction, either to restrain violation or to recover damages, and against the Lots to enforce any lien created by these covenants; and failure by the Developer, the Association, or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. Court costs and reasonable attorneys' fees for a proceeding at law or in equity to enforce this Declaration, including any appeal thereof, shall be borne by the Owner(s) against whom the suit has been filed. In addition to all remedies expressly provided in this Declaration, the Developer and the Association shall have the right to enforce this Declaration by all remedies (including without implied limitation the imposition of fines and penalties) that may be permitted in 617.301 et seq, Florida Statutes, as amended; and this Declaration shall be deemed to include all procedures and conditions prescribed by those statutes for the exercise of the statutory remedies.

10.3 Severability. Invalidation of any one of these covenants or restrictions or any part, clause, or word hereof, or the application thereof in specific circumstances, by judgment or court order

shall not affect any other provisions of applications in other circumstances, all of which shall remain in full force and effect.

10.4 Amendment. Except in the case of the Developer's annexation of Additional Property as provided for in Section 9.3 above, the covenants, restrictions, easements, conditions, charges, and liens of this Declaration may only be amended, changed, or supplemented by approval at a meeting of Owners holding not less than seventy-five percent (75%) of the votes of the membership in the Association; provided, however, that so long as the Developer or its affiliates is the Owner of any Lot affected by this Declaration the Developer's consent must be obtained if such amendment, in the sole opinion of the Developer, affects Developer's interest. In the event M/I HOMES OF ORLANDO, LLC., is not the Developer, no amendment may be made which, in the opinion of M/I HOMES OF ORLANDO, LLC, adversely affects its interest, without its consent. Further, no provision of this Declaration may be amended if such provision is required to be included herein by any law. The foregoing three (3) sentences may not be amended. 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 portion of the Common Areas, or that affects any conservation easement, must have the prior approval of the Water Management District.

The Developer shall have the right at any time within six (6) years from the date hereof to amend this Declaration to correct scrivener's errors and to clarify any ambiguities determined to exist herein. No amendment shall impair or prejudice rights or priorities of any Institutional Lender without their written consent.

10.5 Effective Date. This Declaration shall become effective when recorded in the Public Records of the County.

10.6 Withdrawal. The Developer reserves the right to amend this Declaration at any time, without prior notice and without the consent of any person or entity, for the purpose of removing certain portions of the Property then owned by the Developer or its affiliates or the Association from the provisions of this Declaration to the extent included originally in error or as a result of reasonable changes in the plans for the Property desired to be effected by the Developer.

10.7 Conflicts. This Declaration shall take precedence over conflicting provisions in the Articles of Incorporation and Bylaws of the Association, and the Articles shall take precedence over the Bylaws.

10.8 Standards for Consent, Approval, Completion, Other Action and Interpretation. Unless otherwise provided herein, whenever this Declaration shall require the consent, approval, completion, substantial completion, or other action by the Developer or its affiliates, the Association or the Architectural Control Board, such consent, approval or action may be withheld in the sole and unfettered discretion of the party requested to give such consent or approval or take such action, and all matters required to be completed or substantially completed when such matters have been completed or substantially completed in the reasonable opinion of the Developer or Association, as appropriate. This Declaration shall be interpreted by the Board of Directors and an opinion of counsel to the Association rendered in good faith, provided that the particular interpretation is not unreasonable, shall establish the validity of such interpretation.

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

10.10 Covenants Running With the Land. Anything to the contrary herein notwithstanding, it is the intention of all parties affected hereby (and their respective heirs, personal representatives, successors and assigns) that these covenants and restrictions shall run with the land and with title to the Property. If any provision or application of this Declaration would prevent this Declaration from running with the land as aforesaid, such provision and/or application shall be judicially modified, if at all possible, to come as close as possible to the intent of such provision or application and then be enforced in a manner which will allow these covenants and restrictions to so run with the land; but if such provision and/or application cannot be so modified, such provision and/or application shall be unenforceable and considered null and void in order that the paramount goal of the parties affected hereby (that these covenants and restrictions run with the land as aforesaid) be achieved.

10.11 Management Contract. At such time as it sees fit, the Association is hereby authorized to enter into an agreement with a management company (which may be an affiliate of the Developer) to provide for the management and maintenance of the Property, in which case each Owner shall be assessed for his Lot's share of the management fees, in accordance with the assessment provisions contained in this Declaration.

ARTICLE XI CITY OF WINTER GARDEN REQUIREMENTS

11.1 Initial Community Subdivision Infrastructure Report. Pursuant to Section 110-155 of the Code, no earlier than one hundred eighty (180) days before Turnover, the Association shall retain the services of a Florida registered engineer experienced in subdivision construction to inspect the community subdivision infrastructure ("initial engineer's inspection") and prepare a report recommending the amount of scheduled maintenance and unscheduled repair for the subsequent three (3) years that likely will be needed for each component of the community subdivision infrastructure (specifically, at a minimum and as may be applicable, providing for the roads, street lights, sidewalks, and drainage system (which includes without limitation, the stormwater detention/retention areas and underdrains), in accordance with standards that may be established and revised from time to time by the city engineer or his or her designee, which recommends the amounts of money that should be deposited each year in the routine-community subdivision infrastructure-maintenance account, and determining what repairs, if any, are needed prior to Turnover of the Association. The Association shall pay the cost associated with the preparation of the initial community subdivision infrastructure report, and the Association may pay such

cost from the routine-community subdivision infrastructure-maintenance account. The report must be signed and sealed by the engineer, certified to the Association and the City of Winter Garden and provided to all Owners of Lots, blocks, and tracts within the subdivision and the city engineer within fifteen (15) days after its completion. Any needed repairs or replacements identified by the report shall be completed by the Developer, at the Developer's sole expense, prior to Turnover. If Turnover occurs and the foregoing requirements have not been fulfilled, the rights of the Association, any of its members, the City of Winter Garden, and any and all Owners of land within the subdivision to enforce these requirements against the Developer shall survive the Turnover, with the prevailing party to be entitled attorney's fees and costs. Notwithstanding the foregoing and without limiting the City of Winter Garden's remedies, the City of Winter Garden shall be entitled to withhold issuances of certificates of occupancy or building permits for improvements within the subdivision until such time as the provisions of this Section are met.

11.2. Subsequent Community Subdivision Infrastructure Reports and Maintenance. Pursuant to Section 110-156 of the Code, the Association shall obtain an inspection and written report of the community subdivision infrastructure, by a Florida registered engineer experienced in subdivision construction at least once every three (3) years after the initial engineer's inspection. Using good engineering practice, and in accordance with standards that may be established and revised from time to time by the city engineer or his or her designee, or in accordance with such other standards as may be adopted from time to time by the Association, or in accordance with such standards as the Association's engineer may determine to be appropriate, the inspection shall determine and the written report shall document the level of maintenance and repair (both scheduled and unscheduled) needed, the amounts of funding needed each year for the next three (3) years in the routine-community subdivision infrastructure-maintenance account to pay for such maintenance and repair, and any repairs then needed. The report must be signed and sealed by the engineer, certified to the City of Winter Garden and the Association, and provided to all Owners of Lots, blocks, and tracts within the subdivision and the city engineer within fifteen (15) days after its completion. Within one hundred eight (180) days of receipt of each tri-annual report, the Association shall complete all remedial work identified and recommended by the engineer. A completion report, signed, sealed, and certifying that said remedial work has been completed, shall be submitted to the city engineer ninety (90) days thereafter.

11.3. Property Taxes. Owners within the subdivision (i.e. the Properties) shall receive no discount in property taxes or any other tax or fee because of the retention or private ownership of the community subdivision infrastructure.

11.4. Maintenance. The City of Winter Garden shall have the right, but not the obligation, to access, maintain, repair, replace and otherwise care for or cause to be cared for, any and all portions of the Property, including without limitation any and all private areas, common areas, drainage systems (including without limitation the retention/detention areas and underdrains), common properties, private roads, recreational tracts, drainage/retention tracts, conservation tracts, landscape and wall tracts, screening walls, and the improvements thereon, and such other subdivision infrastructure not otherwise dedicated to the public use or the City of Winter Garden (collectively, the "Facilities and Land"). Further, the City of Winter Garden has the right, but not the obligation, to cause to be prepared any report, study, or inspection required by this Declaration or the Code if the Association fails to obtain such reports, studies, or inspections required by this Declaration or the Code in the time provided. In the event the Facilities and Land (or any portion thereof) are not maintained, repaired, or replaced in accordance with

the standards of the City of Winter Garden Code of Ordinances, good engineering practices, or become a nuisance, or the required reports, studies, or inspections are not obtained in the time provided, or in the event the City of Winter Garden exercises the aforementioned right, each of the Lot Owners on a pro-rata basis (i.e. per Lot) shall be responsible for payment of the cost of such maintenance, repair, replacement and care provided by the City of Winter Garden or its contractors and agents and the cost of preparing said reports, studies, or inspections, plus administrative costs and attorneys fees incurred by or for the City of Winter Garden. The City of Winter Garden shall have a lien upon each Lot to secure the personal obligation of each Lot Owner thereof for any unpaid fees and costs resulting from the foregoing. Such lien shall also secure reasonable attorney's fees and other costs incurred by the City of Winter Garden incident to the collection of such fees and costs of enforcement of such lien. The lien shall be evidenced by a claim recorded among the Public Records of Orange County, Florida and shall be effective from and as of the time of such recording. The City of Winter Garden may take such action or actions as it deems necessary to collect said fees and costs as may be permitted by law, including, but not limited to, an in personam action, lien, foreclosure, or special assessment. Neither the rights provided for herein nor the City's exercise of said rights, shall impose any obligation on the City of Winter Garden to maintain, repair, replace or otherwise care for the Facilities and Land, or any portion thereof, or cause to be prepared any studies, reports or inspections.

11.5. Default Under the Code. No portion of this Declaration shall endorse, allow, or sanction the violation of the Code, ordinances or resolutions of the City or any statute or law. In all respects, the Association and Developer shall comply with and the Property is subject to the Code, including, but not limited to, Article III of Chapter 110 of the Code pertaining to subdivision procedures. No portion of this Declaration, or amendment thereto, pertaining to the requirements of the Code, including, but not limited to, Article III of Chapter 110 of the Code pertaining to subdivision procedures, may be revised, revoked, rescinded, modified without the express, prior written consent of the City, nor shall the Association be dissolved without the prior written consent of the City.

11.6. Transfer to Governmental Entities. Any transfer of any portion or component of the community subdivision infrastructure (including the property on which the said community subdivision infrastructure is located) to the City of Winter Garden or other governmental entity is prohibited without the concurrence of the City of Winter Garden or applicable governmental entity and the Owners of two-thirds of the platted Lots.

11.7. Reserves for Replacement. The Association shall be required to establish, fund and maintain, subject to the requirements, restrictions, terms, conditions and limitations provided in Section 110-157 of the Code, the following accounts:

- a. Routine-Community Subdivision Infrastructure-Maintenance Account;
- b. Capital-Repair/Drainage Systems Account; and
- c. Capital-Repair/Other Infrastructure Account.

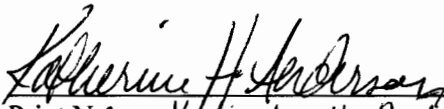
The Association shall cause a financial report of the accounts referenced above to be performed and prepared in accordance with Section 110-157(d) of the Code, and a copy thereof shall be submitted to each Owner and the City.

11.8. Bankruptcy. In the event that the Association, is dissolved, in bankruptcy, or otherwise unable to fulfill its obligations as provided in the Declaration, the individual Owners shall be liable for the costs, on a pro-rata (per Lot) basis, for the maintenance, upkeep, repair and/or replacement of any and all private easements, common property, rights of way and/or improvements in the event the City of Winter Garden provides such services. This provision shall run with the land and survive the termination of the Association.

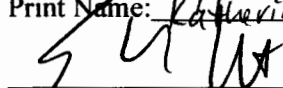
EXECUTED as of the date first above written.

Signed, sealed and delivered
in the presence of:

M/I HOMES OF ORLANDO, LLC


Print Name: Katherine H. Anderson

By: 
Dana A. Bennett
Area President


Print Name: Eric K. Williams

STATE OF FLORIDA
COUNTY OF ORANGE

The foregoing instrument was acknowledged before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, this 18th day of May, 2006, by Dana A. Bennett, as Area President of M/I Homes of Orlando, LLC, a Florida limited liability company, executing the foregoing instrument on behalf of the limited liability company, freely and voluntarily and for the purposes stated herein. He is (a) ✓ personally known to me or (b) _____ produced as identification.

WITNESS my hand and official seal in the County and State aforesaid this 18th day of May, 2006.

NOTARY PUBLIC

Signature: Colleen Kay Maguire

Print Name: COLLEEN KAY MAGUIRE

Notary Public, State of Florida

My Commission Expires: 3/8/2008

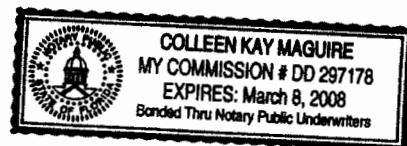


EXHIBIT "A"

LEGAL DESCRIPTION OF THE PROPERTY

A portion of the Northwest $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of Section 35, Township 22 South, Range 27 East, Orange County, Florida, being more particularly described as follows:

Begin at the Northeast corner of GLYNWOOD-PHASE 2, according to the plat thereof, as recorded in Plat Book 56, Pages 72 through 75, Public Records of Orange County, Florida; thence run South $89^{\circ}37'50''$ West, along the North line of said GLYNWOOD-PHASE 2, a distance of 657.74 feet to a point on the West line of the East $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of said Section 35; thence run North $00^{\circ}46'15''$ West, along the West line of the East $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of said Section 35 a distance of 1344.49 feet to a point on the South line of the Northeast $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of said Section 35; thence run North $89^{\circ}46'59''$ East, along the South line of the Northeast $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of said Section 35, a distance of 338.39 feet to a point on the South line of the Northwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of said Section 35; thence run $89^{\circ}11'40''$ East, along the South line of the Northwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of said Section 35, a distance of 30.00 feet; thence run North $00^{\circ}48'20''$ West, a distance of 34.34 feet; thence run North $60^{\circ}44'16''$ East, a distance of 30.32 feet to a point of a curvature of a curve concave Northwesterly, having a radius of 25.00 feet and a central angle of $87^{\circ}32'49''$; thence run 38.20 feet along the arc of said curve to the cusp of a curve, concave northeasterly, having a radius of 1260.00 feet; said point lying on the Westerly right-of-way line of Daniel's Road as recorded in O.R. Book 6324, Page 2635, and O.R. Book 6325, Page 5300, Public Records of Orange County, Florida; thence run Southeasterly along the Westerly right-of-way line of Daniel's Road the following three (3) courses and distances; on a tangent bearing of South $26^{\circ}48'33''$ East, run 234.21 feet along the arc of said curve through a central angle of $10^{\circ}39'01''$ to the point of tangency thereof; thence run South $37^{\circ}27'35''$ East, a distance of 13.11 feet to the point of curvature of a curve concave Westerly, having a radius of 1190.00 feet and a central angle of $61^{\circ}52'24''$; thence run Southerly along the arc of said curve a distance of 1285.08 feet to the Point of Beginning.

LESS AND EXCEPT: That portion of the foregoing described property identified as Tract "F" on the plat of GROVE PARK recorded, or to be recorded, more or less contemporaneously with this Declaration.

EXHIBIT "B"

ARTICLES OF INCORPORATION

[See attached]

06 APR 27 PM 12:59

**ARTICLES OF INCORPORATION
OF
GROVE PARK AT STONECREST HOMEOWNERS' ASSOCIATION, INC.**

SECRETARY OF STATE
TALLAHASSEE, FLORIDA

A Florida Corporation Not For Profit

The undersigned incorporator, a resident of the State of Florida and of full age, hereby makes, subscribes, acknowledges and files with the Department of State of the State of Florida these Articles of Incorporation for the purpose of forming a corporation not for profit under the laws of the State of Florida.

**ARTICLE I
NAME**

The name of this corporation is **GROVE PARK AT STONECREST HOMEOWNERS' ASSOCIATION, INC.**, a Florida corporation not for profit, (hereinafter called the "Association").

**ARTICLE II
OFFICE AND REGISTERED AGENT**

This Association's principal office is 237 Westmonte Drive, Suite 111, Altamonte Springs, Florida 32714, and its registered agent is EPM Services

165 WEST STATE ROAD 434
WINTER SPRINGS, FL 32708 Both this Association's principal office and registered agent may be changed from time to time by the Board of Directors as provided by law.

**ARTICLE III
PURPOSE**

This Association does not contemplate pecuniary gain or profit to its members and the specific purposes for which it is formed are to provide for the maintenance, preservation and architectural control of all common areas and other residence lots within that certain tract of property (hereinafter called the "Property") in Orange County, Florida, being more particularly described in Exhibit "A"

Exhibit "A" attached hereto, and any other property brought within the jurisdiction of the Association pursuant to the Declaration, as hereinafter defined.

ARTICLE IV POWERS

Without limitation this Association is empowered to:

- (a) Declaration. Exercise all rights, powers, privileges and perform all duties, of this Association set forth in that certain Declaration of Easements, Covenants, Conditions, and Restrictions for Wilson Park (hereinafter called the "Declaration") applicable to the Property and 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 in full, including, without limitation, the power to sue and be sued.
- (b) Property. In any lawful manner, acquire, own, hold, improve, manage, operate, maintain, repair, replace, operate, convey, sell, lease, transfer, assign, and otherwise dispose of property of any nature whatsoever, real, personal, or mixed, tangible or intangible, in connection with this Association's affairs, subject to any limitations set forth in the Declaration and the By-Laws of the Association.
- (c) Service and Maintenance Contracts. Enter into contracts with third parties to provide operation and maintenance services to the Association and the Common Area.
- (d) Assessments. Fix, levy, collect, and enforce by any lawful means all charges or assessments established by, or pursuant to, the Declaration; and to use and expend the proceeds of assessments in the exercise of its powers and duties hereunder.

- (e) Costs. Pay all costs, expenses, and obligations lawfully incurred in connection with this Association's affairs including, without limitation, all licenses, taxes, or other governmental charges levied or imposed against this Association's property.
- (f) Borrowing. Borrow money and, with the approval of two-thirds of each class of members, mortgage, pledge, deed in trust, hypothecate, assign, grant security interests in, or otherwise transfer any or all of its property as security for money borrowed, debts incurred, or any of its other obligations.
- (g) Dedications. With the affirmative vote of seventy-five percent (75%) of the members, dedicate, sell or transfer all or any part of its property to any public agency, authority, or utility for such purposes, and subject to such conditions, as seventy-five percent (75%) of the members (by vote) determine.
- (h) Mergers. With the approval of two-thirds (2/3) of the members, participate in mergers and consolidations with other non-profit corporations organized for similar purposes.
- (i) Rules. From time to time adopt, alter, amend, rescind, and enforce reasonable rules and regulations governing the use of the Lots, Common Area, and any Association property consistent with the rights and duties established by the Declaration and these Articles.
- (j) General. Have and exercise all common law rights, powers, and privileges and those that a corporation not for profit may now or hereafter have or exercise under the laws of the State of Florida, together with all other rights, powers, and privileges reasonably to be implied from the existence of any right, power, or privilege so granted, or granted by the

Declaration or these Articles, or reasonably necessary to effectuate the exercise of any right, power, or privilege so granted.

(k) Enforcement. Enforce by legal means the obligations of the members of the corporation, the provisions of the Declaration, and the provisions of a dedication or conveyance of the Association property to the corporation with respect to the use and maintenance thereof.

(l) Drainage System. Operate, maintain and manage the surface water or stormwater management system(s) in a manner consistent with the requirements of the St. Johns River Water Management District permit issued by the District and with applicable District rules, and assist in the enforcement of the Declaration of Covenants and Restrictions which relate to the surface water or stormwater management system. The Association shall 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.

ARTICLE V MEMBERSHIP

Every person who from time to time holds the record fee simple title to, or any undivided fee simple interest in, any Lot that is subject to the provisions of the Declaration is a member of this Association, including contract sellers, but excluding all other persons who hold any interest in any Lot merely as security for the performance of an obligation. An Owner of more than one Lot is entitled to one membership for each Lot owned. Membership is appurtenant to, and may not be separated from, ownership of at least one Lot that is subject to the provisions of the Declaration, and membership may not be transferred other than by transfer of title to such Lot. Each membership is transferred automatically by conveyance of title of a Lot.

ARTICLE VI 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 Developer (as defined in the Declaration), 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 determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B member shall be the Developer (as defined in the Declaration), and shall be entitled to three (3) votes for each lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of the following events, whichever occurs earlier:

- (a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership;
- (b) on the anniversary date seven years from the date when the first Lot is conveyed to an individual purchaser; or
- (c) At the election of the Developer evidenced by a written waiver.

ARTICLE VII BOARD OF DIRECTORS

Section 1. This Association's affairs are managed by a Board of Directors initially composed of three (3) Directors. The number of Directors from time to time may be changed by amendment to this Association's By-Laws, but at all times it must be an odd number of three (3) or more but not to exceed five (5). The Directors named below (Initial Directors) shall serve until this

Association's first annual meeting, the date for which shall be set by the Initial Directors. The term of office for all Directors, with the exception of the Initial Directors, is one year. Before any such annual meeting, all vacancies occurring on the Board of Directors, if any, will be filled by majority vote of the remaining Directors, even if less than a quorum. Any Director may succeed himself or herself in office. All Directors will be elected by secret written ballot. Each member may cast as many votes for each vacancy as such member has; and the person receiving the largest number of votes cast for each vacancy is elected. Cumulative voting is not permitted. Directors need not be Association members. Other provisions pertaining to the nomination, election, voting and the noticing and scheduling of meetings for the election of Directors are set forth in this Association's Bylaws.

Section 2. The names and addresses of the persons who will serve as Directors until their successors have been duly elected and qualify, unless they sooner die, resign, or are removed, are:

Dana A. Bennett
237 S. Westmonte Drive, Suite 111
Altamonte Springs, FL 32714

Eric K. Wills
237 S. Westmonte Drive, Suite 111
Altamonte Springs, FL 32714

Colleen Maguire
237 S. Westmonte Drive, Suite 111
Altamonte Springs, FL 32714

Section 3. Every Director shall be indemnified by this Association against all expenses and liabilities, including attorney fees (at all trial and appellate levels) reasonably incurred by, asserted against, or imposed upon him in connection with any proceeding, litigation, or settlement in which he may become involved by reason of his being or having been a Director of this Association,

or arising in connection with the performance of his duties as a Director. The foregoing provisions for indemnification shall apply whether or not he is a Director at the time such expenses are incurred. Notwithstanding the above, in instances where a Director admits or is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties, or of any involving criminal liability, the indemnification provisions of these Articles shall not apply. Otherwise, the foregoing rights to indemnification shall be in addition to and not exclusive of any and all rights of indemnification to which a Director may be entitled whether by statute or common law.

ARTICLE VIII INCORPORATOR

The name and address of the incorporator is:

Dana A. Bennett
237 S. Westmonte Drive, Suite 111
Altamonte Springs, FL 32714

ARTICLE IX DISSOLUTION

This Association may be dissolved in the manner from time to time provided by the laws of the State of Florida and with the assent given in writing and signed by not less than two-thirds (2/3) of each class of members. Upon dissolution of this Association in any manner other than incident to a merger or consolidation, all of this Association's assets must be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. If dedication is refused, such assets must be granted, conveyed, and assigned to any nonprofit corporation, association, trust, or other organization to be devoted to such similar purposes. In no event, however may any assets inure to the benefit of any member or other private individual. In the event of termination, dissolution or final liquidation of the Association, the responsibility for the operation

and maintenance of the Surface Water or Storm Water Management System must be transferred to and accepted by an entity which would comply with Section 40C-42.027, F.A.C., and approved by the St. Johns River Water Management District prior to such termination, dissolution or liquidation.

ARTICLE X DURATION

Existence of the Association shall commence with the filing of these Articles of Incorporation with the Secretary of State, Tallahassee, Florida. The Association shall exist in perpetuity.

ARTICLE XI BY-LAWS

This Association's By-Laws initially will be adopted by the Board of Directors. Thereafter, the By-Laws may be altered, amended, or rescinded with the approval of seventy-five percent (75%) of each class of members, except as to those provisions for amendment to the By-Laws which are provided in the Declaration or any Supplemental Declaration in which case those provisions shall control such amendments.

ARTICLE XII AMENDMENTS

Amendments to these Articles may be proposed and adopted in the manner from time to time provided by the laws of the State of Florida, provided that each such amendment must have the approval in writing of two-thirds (2/3) of all Lot Owners, except as to those provisions for amendment to the By-Laws which are provided in the Declaration or any Supplemental Declaration in which case those provisions shall control such amendments.

ARTICLE XIII INTERPRETATION


Express reference is made to the Declaration where necessary to interpret, construe, and clarify the provisions of the Articles. Without limitations, all terms defined in the Declaration have the same meaning where used in these Articles. By subscribing and filing these Articles, the incorporators intend its provisions to be consistent with the provisions of the Declaration and to be interpreted, construed, and applied with those of the Declaration to avoid inconsistencies or conflicting results.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Florida, I, the undersigned, constituting the incorporator of this Association, have executed these Articles of Incorporation this 7th day of April, 2006


DANA A. BENNETT
Incorporator

STATE OF Florida
COUNTY OF Sumner

The foregoing instrument was acknowledged before me this 7th day of April, 2006, by Dana A. Bennett, as the incorporator of Grove Park at Stonecrest Homeowners' Association, Inc. He is personally known to me or has produced _____ as identification.


Notary Public
Print Name: Colleen Kay Maguire
My Commission No.: DD297178
My Commission Expires: March 8, 2008



**CERTIFICATE DESIGNATING PLACE OF BUSINESS OR DOMICILE FOR
THE SERVICE OF PROCESS WITHIN THE STATE OF FLORIDA AND NAMING
THE REGISTERED AGENT UPON WHOM PROCESS MAY BE SERVED.**

GROVE PARK AT STONECREST HOMEOWNERS', INC., desiring to organize under the laws of the State of Florida, as a corporation not for profit with its principal office, as indicated in its Articles of Incorporation, at 237 Westmonte Drive, Suite 111, Altamonte Springs, FL 32714, has named EPM Services, as its registered agent to accept service of process within Florida.

ACCEPTANCE

Having been named to accept service of process for the foregoing corporation at the place designated in this certificate, I hereby agree to act in this capacity, and I further agree to comply with the provisions of all statutes, including the duties and obligations imposed by Section 607.0505, relative to the proper and complete performance of my duties.

By: [Signature]
Printed Name: PAULEY SUANDA
Title: PRESIDENT
Date: 04/20/06

FILED
06 APR 27 PM 12:59
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

EXHIBIT "C"

BYLAWS

[See attached]

EXHIBIT 'C'

BY-LAWS OF GROVE PARK AT STONECREST HOMEOWNERS' ASSOCIATION, INC.

Section 1. Identification of Association.

These are the By-Laws of GROVE PARK AT STONECREST HOMEOWNERS' ASSOCIATION, INC. (hereinafter referred to as the "Association"), as duly adopted by its Board of Directors. The Association is a corporation not-for-profit, organized pursuant to and under Chapter 617, Florida Statutes. The Association has been incorporated in connection with the creation of that certain Development (the "Development") known as GROVE PARK, as evidenced by that certain Declaration of Covenants, Conditions, and Restrictions (the "Declaration") recorded or to be recorded in the Public Records of Orange County, Florida. All terms and definitions as set forth in Article I of the Declaration are incorporated herein and made a part hereof.

1.1 The office of the Association shall be for the present at 237 S. Westmonte Drive, Altamonte Springs, Florida 32714 and thereafter may be located at any place in Orange County, Florida, designated by the Board of Directors of the Association.

1.2 The fiscal year of the Association shall be the calendar year, unless a different fiscal year is adopted by the Board.

1.3 The seal of the Association shall bear the name of the Association, the word "Florida," and the words "Corporation Not-For-Profit."

Section 2. Membership in the Association, Members Meetings, Voting and Proxies.

2.1 The qualifications of Members, the manner of their admission to membership in the Association, and the manner of the termination of such membership shall be as set forth in Article IV of the Articles of Incorporation of the Association.

2.2 The Members shall meet annually at the office of the Association or such other place in Florida, as determined by the Board and as designated in the Notice of such meetings, at the time determined by the Board, within ninety (90) days before each year-end (calendar or fiscal year-end as determined by the Board) commencing with the year 2007. Such meetings shall be known as the "Annual Members Meeting." The purpose of the Annual Members Meeting shall be to elect directors, to hear reports of the officers, and to transact any other business authorized to be transacted by the Members.

2.3 Special meetings of the Members shall be held at any place within Orange County, whenever called by the President, Vice President, or a majority of the Board. A special meeting must be called by the President or Vice President upon receipt of a written request from one-fourth (1/4) of the Members.

2.4 A written notice of the meeting (whether the Annual Members Meeting or a special meeting of the Members) shall be mailed to each Member entitled to vote at his last known address as it appears on the books of the Association. Such written notice of an Annual Members Meeting shall be mailed to each Member not less than fourteen (14) days nor more than forty (40) days prior to the date of the Annual Members

Meeting. Written notice of a special meeting of the Members shall be mailed not less than ten (10) days nor more than forty (40) days prior to the date of a special meeting. The notice shall state the time and place of such meeting and the object for which the meeting is called and shall be signed by an officer of the Association. If a meeting of the Members, either a special meeting or an Annual Members Meeting, is one for which, by express provision of the Articles or these By-Laws, there is permitted or required a greater or lesser amount of time for the mailing or posting of notice than is required or permitted by the provisions of this Section 2.4, then the aforesaid express provision shall govern. Any provision herein to the contrary notwithstanding, notice of any meeting may be waived by any Member before, during, or after a meeting, which waiver shall be in writing and shall set forth a waiver of written notice of such meeting. The aforementioned procedure shall not apply in the event of an emergency.

2.5 The Members, at the discretion of the Board, may act by written agreement in lieu of a meeting, provided written notice of the matter or matters to be agreed upon is given to the Members, at the addresses and within the time periods set forth in Section 2.4 herein, or duly waived in accordance with such Section. The decision of the majority vote of the Members as to the matter or matters to be agreed upon (as evidenced by written response to be solicited in the notice) shall be binding on the Members, provided a quorum of the Members submits a response. The notice shall set forth a time period during which time a response must be made by a Member.

2.6 A quorum of the Members shall consist of persons entitled to cast thirty percent (30%) of the votes of the Members. A Member may join in the action of a meeting by signing and concurring in the minutes thereof and such a signing shall constitute the presence of such parties for the purpose of determining a quorum. When a quorum is present at any meeting and a question which raises the jurisdiction of such meeting is presented, the holders of a majority of the voting rights present in person or represented by written "proxy" (as hereinafter defined) shall be required to decide the question. However, if the question is one upon which, by express provisions of the Declaration, the Articles, or these By-Laws requires a vote of other than the majority vote of a quorum, then such express provision shall govern and control the required vote on the decision of such question.

2.7 If any meeting of the Members cannot be organized because a quorum is not in attendance, the Members who are present, either in person or by proxy, may adjourn the meeting to a date certain or otherwise from time to time until a quorum is present. In the case of a meeting being postponed, the notice provisions for the adjournment shall be as determined by the Board. In any such subsequent meetings, a quorum shall consist of one-fifth (1/5) of the votes of the Members.

2.8 Minutes of all meetings shall be kept in a businesslike manner and be available for inspection by the members and the Directors at all reasonable times and places and shall be produced within ten (10) business days after receipt of a written request for access.

2.9 Voting rights of Members shall be as stated in Section 2.10 below. Such votes may be cast in person or by proxy. "Proxy" is defined to mean an instrument containing the appointment of a person who is substituted by a Member to vote for him and in his place and stead. Proxies shall be in writing and shall be valid only for the particular meeting designated therein, and any adjournments of that meeting. A proxy must be filed with the Secretary of the Association before the appointed time of the meeting in order to be effective. Any proxy may be revoked prior to the time a vote is cast according to such proxy.

2.10 The following provisions shall govern the right of each Member to vote and the manner of exercising such right:

(a) Each Owner or the collective Owners of a Lot of record shall be entitled to one (1) vote in the Association with respect to matters on which a vote by the Owners is required or permitted to be taken under the Declaration, the Articles or these By-Laws.

(b) The vote of the Owners of a Lot owned by more than one natural person, or by a corporation or other legal entity, shall be cast by the person named in a certificate executed by all of the Owners of the Lot, or if appropriate, by properly designated officers, partners, or principals of the legal entity, and filed with the Secretary of the Association. If such a certificate is not on file with the Secretary of the Association, the vote of such Lot shall not be considered for a quorum or for any other purpose.

(c) Notwithstanding the provisions of paragraph (b) of this Section 2.10, whenever any Lot is owned by a husband and wife, they may, but shall not be required to, designate a voting member. In the event a certificate designating a voting member is not filed by a husband and wife, the following provisions shall govern their right to vote:

(1) Where both are present at a meeting, each shall be regarded as the agent and proxy of the other for purposes of casting the vote for each Lot owned by them. In the event they are unable to concur in their decision upon any subject requiring a vote, they shall lose their right to vote on that subject at the meeting.

(2) Where only one (1) spouse is present at a meeting, the person present may cast the vote for the Lot without establishing the concurrence of the other spouse, absent any prior written notice to the contrary by the other spouse. In the event of prior notice to the contrary to the Association or the designation of a different proxy by the other spouse, the vote of said Lot shall not be considered.

(d) In the event that any Owner shall fail to pay Assessments within ten (10) days after he has been notified in writing by the Association that such Assessments are due, the vote of the Lot owned by such Owner shall be terminated until such Assessment plus interest thereon and costs of collection thereof are paid to the Association.

(e) The foregoing provisions shall not apply to the Declarant named in the Declaration and the Declarant's successors and assigns.

2.11 At any time prior to a vote upon any matter at a meeting of the Members, any Member may demand the use of a secret written ballot for voting on such matter. The Chairman of the meeting shall call for nominations for inspectors of election to collect and tally written ballots upon the completion of balloting upon the subject matter.

Section 3. Board of Directors; Director's Meetings.

3.1 The form of administration of the Association shall be by a Board of not less than three (3) Directors nor more than seven (7) Directors, the exact amount to be determined from time to time by the Members in accordance with the Declaration, or the Articles. The Board shall initially consist of three (3) members, who need not be members of the Association.

3.2 The provisions of the Articles setting forth the selection, election, designation and removal of Directors by the Declarant are hereby incorporated herein by reference.

3.3 Subject to Section 3.5 below and to the Declarant's rights as set forth in the Articles and as set forth in Section 3.5(c) below, vacancies in the Board shall be filled by persons elected by the remaining Directors. Any such person shall be a Director as if, and have all of the rights, privileges, duties and obligations as a Director, elected at an Annual Members Meeting, and shall serve for the term prescribed in Section 3.4 of these By-Laws.

3.4 The term of each Director's services shall extend until the next Annual Members Meeting and until his successor is duly elected and qualified, or until he is removed in the manner elsewhere provided herein.

3.5 (a) A Director elected by the Members, as provided in the Articles, may be removed from office upon the affirmative vote or the agreement in writing of a majority vote of the Members at a special meeting of the Members for any reason deemed by the Members to be in the best interests of the Association. A meeting of Members to so remove a Director elected by them shall be held, subject to the notice provisions of Section 2.4 hereof, upon written request of ten percent (10%) of the Members. However, before any Director is removed from office, he shall be notified in writing that a motion to remove him will be made prior to the meeting at which said motion is to be made, and such Director shall be given an opportunity to be heard at such meeting should he be present prior to the vote on his removal.

In the event the members hold a special meeting to remove a director or directors, the Board shall hold a Board meeting within five (5) full business days after the adjournment of the member meeting to remove one or more directors. At the meeting, the Board shall certify the removal, in which case such member or members shall be removed effective immediately and shall turn over to the Board within five (5) full business days any and all records and property of the Association in their possession.

(b) A Director elected by the members, as provided in the Articles, may also be removed from office by an agreement in writing or by written ballot without a membership meeting. The agreement in writing or the written ballots, or a copy thereof, shall be served on the Association by certified mail or by personal service in the manner authorized by Florida Statutes Chapter 48 and the Florida Rules of Civil Procedure.

(c) If the Board determines it will not to certify the written agreement or written ballots to remove a director or directors of the Board or does not certify the removal by a vote at a meeting, the Board shall, within five (5) full business days after the meeting, file with the Florida Department of Business and Professional Regulation a petition for binding arbitration pursuant to the applicable procedures contained in Florida Statutes Sections 718.112(2)(j) and 718.1255 in the rules adopted there under. If the arbitrator certifies the removal as to any director or directors of the Board, the removal will be effective upon mailing of the final order of arbitration to the Association. The director or directors so removed shall deliver to the Board any and all records of the Association in their possession within five (5) full business days after the effective date of the removal.

(d) If the Board fails to duly notice and hold a board meeting within five (5) full business days after the service of an agreement in writing or within five full business days after the adjournment of the member removal meeting, the removal shall be deemed effective and the director so removed shall immediately turn over to the Board all records and property of the Association.

(e) Minutes of all meetings of the Board related to removal of a director or directors shall be kept in a business like manner and be available for inspection by the Members and Directors at all reasonable times and places and produced within ten (10) business days after receipt of a written request for access.

(f) In the event a Director is removed from office without a membership meeting the board shall hold a meeting, subject to the notice provisions contained in Section 2.4 herein above. Said meeting shall be held within five (5) days after the members deliver the agreement in writing or the written ballots to the Association. At the meeting the Board shall either certify the written ballots or written agreement to remove a director or directors of the Board, in which case such director or directors shall be removed effective immediately and shall turn over to the board within five (5) full business days any and all records and property of the Association in their possession.

(g) Members shall elect, at a special meeting or at the Annual Members Meeting, persons to fill vacancies to the Board caused by the removal of a Director elected by Members in accordance with Sections 3.5(a) and (b) above.

(h) A Director designated by Declarant, as provided in the Articles, may be removed only by Declarant in its sole and absolute discretion and without any need for a meeting or vote. The Declarant shall have the unqualified right to name a successor for any Director designated and thereafter removed by it, and Declarant shall notify the Board of the name of the successor Director and the commencement date for the term of such successor Director.

(i) In the event a Director not designated by the Declarant shall fail to pay Assessments within ten (10) days after he has been notified in writing by the Association that such Assessments are due, his Board membership shall automatically be terminated and if such Board member is an officer of the Board he shall automatically be discharged from his office. The provisions hereof shall not act to deprive the Declarant of its right to designate officers or Directors.

3.6 The organizational meeting of a newly elected Board shall be held within ten (10) days of their election at such place and time as shall be fixed by the Directors at the meeting at which they were elected. No further notice of the organizational meeting shall be necessary.

3.7 Regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the Directors. Special Meetings of the Board may be called at the discretion of the President or the Vice President of the Association. Special meetings must be called by the Secretary at the written request of one-third (1/3) of the Directors.

3.8 Notice of the time and place of regular and special meetings of the Board, or adjournments thereof, shall be given to each Director personally or by mail, telephone, or telegraph at least three (3) days prior to the day named for such meeting. Any Director may waive notice of a meeting before, during, or after a meeting, and such waiver shall be deemed equivalent to the receipt of notice by such Director. Notices of all board meetings shall be given to the Members of the Association, as provided by law.

3.9 A quorum of the Board shall consist of the Directors entitled to cast a majority of the votes of the entire Board. Matters approved by a majority of the Directors present at a meeting at which a quorum is present shall constitute the official acts of the Board, except as specifically otherwise provided in the Declaration, Articles, or elsewhere herein. If at any meeting of the Board, there shall be less than a quorum

present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At any meeting being held because of such an adjournment, any business which might have been transacted at the meeting as originally called may be transacted. In the case of the adjournment of a meeting, notice to the Directors of such adjournment shall be as determined by the Board.

3.10 The presiding officer at Board meetings shall be the President.

3.11 Director's fees, if any, shall be determined by a majority vote of the Members.

3.12 Minutes of all meetings of the Board shall be kept in a businesslike manner and be available for inspection by the Members and Directors at all reasonable times and places produced within ten business days after receipt of a written request for access.

3.13 The Board shall have the power to appoint various executive committees of the Board. Each committee shall act as a liaison to the Board and provide the Board with such information and reports as the Board may request. Executive committees shall consist of no more than three (3) persons. Executive committees shall have and exercise such powers as the Board may delegate to such executive committee. In addition to such executive committees of the Board, the Board may organize owners' committees in the Development consisting of no more than three (3) owners. Such committee shall be designated as a "non-official committee," and the Owners shall have no authority to act on behalf of the Board. However, the purpose of such Owners shall be to act as a liaison and to provide the Board with such information as the Board may deem appropriate and necessary to exercise its power.

3.14 Meetings of the Board shall be open to all Members. Unless a Member serves as a Director or unless he has been specifically invited by the Directors to participate in a meeting, Members shall not be entitled to participate in any meeting of the Board, but shall only be entitled to act as an observer. In the event that a Member not serving as a Director or not otherwise invited by the Directors to participate in a meeting attempts to become more than a mere observer at such meeting, or conducts himself in a manner detrimental to the carrying on of such meeting, then any Director may expel said Member from the meeting by any reasonable means which may be necessary to accomplish such an expulsion. Also, any Director shall have the right to exclude from any meeting of the Board any person who is not able to provide sufficient proof that he is a Member, unless said person was specifically invited by the Directors to participate in such meeting. Board members may attend a meeting via telephone conference call if a speaker phone is available so that all those present at the meeting can communicate.

3.15 The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

Section 4. Powers and Duties of the Board of Directors.

All of the powers and duties of the Association including those existing under the Declaration, the Articles, and these By-Laws shall be exercised by the Board, unless otherwise specifically delegated therein to the Members. Such powers and duties of the Board shall be exercised in accordance with the provisions of the Declaration and these By-Laws, and shall specifically include all powers designated in the Declaration, the Articles, and these By-Laws, including, without limitation, the following:

4.1 Making and collecting Special Assessments and Annual Assessments against Members (collectively "Assessments") in accordance with the Declaration. These Assessments shall be collected by the Association through payments made directly to it by the Members.

4.2 Using the proceeds of Assessment in the exercise of the powers and duties of the Association and the Board.

4.3 Maintaining, repairing and operating the Development.

4.4 Reconstructing improvements after casualties and losses, and making further authorized improvements of the Development.

4.5 Making and amending Rules and Regulations with respect to the use of the Development.

4.6 Enforcing by legal means the provisions of the Declaration, the Articles, these By-Laws, and applicable provisions of law.

4.7 Contracting for the management and maintenance of the Development, and to authorize a management agent to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of Assessments, preparation of records, enforcement of rules, and maintenance, and repair and replacement of the Common Areas and the Lots with funds that shall be made available by the Association for such purposes and other services.

4.8 Paying taxes and Assessments which are or may become liens against the Common Areas, if any, and assessing the same against the Members.

4.9 Purchasing and carrying insurance for the protection of the Owners, the Board, and the Association against casualty and liability.

4.10 Paying costs of all power, water, sewer, and other utility services rendered to the Development, and not billed to the Owners.

4.11 Hiring and retaining such employees as are necessary to administer and carry out the services required for the proper administration of the purposes of this Association, including the hiring of a resident manager and paying all salaries therefor.

Section 5. Officers of the Association.

5.1 The officers of the Association shall be a President, who shall be a Director, one (1) or more Vice Presidents, a Treasurer, and a Secretary, all of whom shall be elected annually by the Board. Any officer may be removed with or without cause from office by a vote of the Directors at any meeting of the Board. Any officer may resign at any time by giving written notice to the Board; such resignation shall take effect on the date of receipt of such notice or any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. The Board shall, from time to time, elect such other officers and assistant officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association.

5.2 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 the President of an owner's association, including, but not limited to, the power to appoint such committees at such times from among the Members as he may, in his discretion, determine appropriate to assist in conducting the affairs of the Association. The President shall preside at all meetings of the Board.

5.3 In the absence or disability of the President, the Vice President shall exercise the powers and perform the duties of the President. The Vice President shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Board. In the event there shall be more than one (1) Vice President elected by the Board, then they shall be designated "First," "Second," etc., and shall exercise the powers and perform the duties of the President, in order.

5.4 The Secretary shall cause to be kept the minutes of all meetings of the Board and the Members, which minutes shall be kept in a businesslike manner and shall be available for inspection by Members and Directors at all reasonable times and places and produced within ten (10) business days after receipt of a written request for access. He shall have custody of the seal of the Association and shall affix the same to instruments requiring such seal when duly authorized and directed by the Board to do so. He shall keep the records of the Association, except those of the Treasurer, and shall perform all of the duties incident to the office of Secretary of the Association as may be required by the Board or the President. The Assistant Secretary, if any, shall perform the duties of the Secretary when the Secretary is absent, and shall assist the Secretary.

5.5 The Treasurer shall have custody of all of the property of the Association, including funds, securities, and evidences of indebtedness. He shall keep the assessment rolls and accounts of the Members, keep the books of the Association in accordance with generally accepted accounting practices, and shall perform all of the duties incident to the office of a Treasurer. The Assistant Treasurer, if any, shall perform the duties of the Treasurer whenever the Treasurer is absent, and shall assist the Treasurer.

5.6 The compensation, if any, of all officers and other employees of the Association shall be fixed by the Board. This provision shall not preclude the Board from employing a Director as an employee of the Association or preclude the contracting with a Director for the management of the Development.

5.7 The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one (1) of any of the other offices.

5.8 A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the office he replaces.

Section 6. Accounting Records; Fiscal Management.

6.1 The Association shall maintain accounting records in accordance with generally accepted accounting practices which shall be open to inspection by the Members or their authorized representatives at reasonable times and places within ten (10) days after receipt of a written request for access. Such authorization as a representative of a Member must be in writing and signed by the Member giving such authorization and dated within sixty (60) days of the date of any such inspection.

6.2 (a) The Board shall adopt a budget for estimated revenues and expenses for each forthcoming fiscal year and the estimated surplus or deficit as of the end of the current year, the date of the

Budget Meeting to adopt the budget to be determined by the Board. Prior to the Budget Meeting, a proposed Budget shall be prepared by or on behalf of the Board for the Development, which shall include, but not necessarily be limited to, the following items of expense:

- (1) Services
- (2) Utilities
- (3) Administration
- (4) Supplies and Materials
- (5) Insurance
- (6) Repairs, Replacement and Maintenance
- (7) Professional Fees
- (8) Reserve Funds
- (9) Operating Capital
- (10) Other Expenses

In addition to the foregoing items of expense, the Budget(s) may include taxes, if the Board so determines.

Copies of the proposed Budget and notice of the exact time and place of the Budget Meeting shall be mailed to each member at the Member's last known address, as reflected on the books and records of the Association, not less than thirty (30) days prior to said Budget Meeting. The Budget Meeting shall be open to the Members. The meeting may be held anywhere in Orange County, Florida as determined by the Board.

(b) The Board may also include in such proposed Budgets, either annually, or from time to time as the Board shall determine to be necessary, a sum of money as an Assessment for the making of betterment to the Development and for anticipated expenses of the Association which are not anticipated to be incurred on a regular or annual basis. This sum of money so fixed may then be levied upon the members by the Board as Special Assessment. In addition, the Board shall, subject to the Declaration, include on an annual basis the establishment of reserve accounts for capital expenditures and deferred maintenance of the Development.

(c) In administering the finances of the Association, the following procedures shall govern: (i) the fiscal year shall be the calendar year, unless a different fiscal year is adopted by the Board; (ii) any income received by the Association in any calendar year may be used by the Association to pay expenses incurred by the Association in the same calendar year; (iii) there shall be apportioned between calendar years on a pro rata basis any expenses which are prepaid in any one calendar year for Common Expenses which cover more than such calendar year; (iv) Assessments shall be made annually in amounts no less than are required to provide funds in advance for payment of all of the anticipated current expenses, for all unpaid expenses previously incurred, and for the annual contribution to the reserve account(s) for any future expenditures and expenses which have been budgeted; and (v) Common Expenses incurred in a calendar year shall be charged against income for the same calendar year regardless of when the bill for such Common Expenses is received. Notwithstanding the foregoing, Assessments shall be of sufficient magnitude to insure an adequacy and availability of cash to meet all budgeted expenses and anticipated cash needs in any calendar year.

(d) The depository of funds of the Association shall be such bank or banks as shall be designated from time to time by the Board in which the monies of the Association shall be deposited.

Withdrawal of monies from such account shall be only by checks signed by such persons as are authorized by the Board.

(e) A review of the accounts of the Association shall be made annually by an auditor, accountant, or Certified Public Accountant designated by the Board, and a copy of a report of such audit shall be furnished to each Director no later than the first day of April of the year following the year for which the report is made. The report shall be deemed to be furnished to the Director upon its delivery or mailing to the Director at his last known address as shown on the books and records of the Association.

(f) No Board shall be required to anticipate revenue from Assessments or expend funds to pay for Common Expenses not included in the Budget or which shall exceed budgeted items, and no Board shall be required to engage in deficit spending. Should there exist any deficiency which results from there being greater Common Expenses than income from Assessments, then such deficits shall be carried into the next succeeding year's Budget as a deficiency or shall be the subject of a Special Assessment to be levied by the Board as otherwise provided in the Declaration.

(g) The Association shall prepare an annual report within sixty (60) days after the close of the fiscal year. The Association shall, within ten (10) days after receipt of a written request for access, provide each member with a copy of the annual financial report or a written notice that a copy of the financial report is available upon request at no charge to the member. The financial report must consist of either (i) financial statements presented in conformity with general accepted accounting principals; or (ii) a financial report of actual receipts and expenditures, cash basis, which must show: the amount of receipts and expenditures by classification, and the beginning and ending cash balances of the Association.

6.3 The Association shall collect Annual Assessments and Special Assessments from the Owners in the manner set forth in the Declaration, the Articles, and these By-Laws.

6.4 As more fully described in the Declaration, each Member is obligated to pay to the Association Annual and Special Assessments which are secured by a continuing lien upon the property against which the assessment is made, and which are the personal obligation of the Member.

6.5 The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

Section 7. Rules and Regulations.

The Board may adopt Rules and Regulations, or amend or rescind existing Rules and Regulations, for the operation and the use of the Development at any meeting of the Board; provided, however, that such Rules and Regulations are not inconsistent with the Declaration, the Articles, or these By-Laws.

Section 8. Amendment of the By-Laws.

8.1 These By-Laws may be amended by a majority vote of the Members present at an Annual Members Meeting or a special meeting of the Members and the affirmative approval of a majority of the Board at a regular or special meeting of the Board. A copy of the proposed amendment shall be sent to each Member along with the notice of the special meeting of the Members or Annual Members Meeting. An amendment may be approved at the same meeting of the Board and/or the Members at which such amendment is proposed.

8.2 An amendment may be proposed by either the Board or by the Members, and after being proposed and approved by one of such bodies, it must be approved by the other as above set forth in order to become enacted as an amendment.

8.3 No modification or amendment to these By-Laws shall be adopted which would affect or impair the priority of any Preferred Lender as that term is defined in the Declaration, the validity of the mortgage held by any such Preferred Lender as that term is defined in the Declaration, or any of the rights of the Declarant.

8.4 As long as there is a Class B membership, as that term is defined in the Declaration, no modification or amendment to these By-Laws shall be adopted without the prior consent of the Federal Housing Administration and the Veterans Administration.

Section 9. Corporate Seal.

The Association shall have a seal in a circular form having within its circumference the words: GROVE PARK AT STONECREST HOMEOWNERS' ASSOCIATION, INC., a Florida corporation not-for-profit 2006.

GROVE PARK AT STONECREST HOMEOWNERS'
ASSOCIATION, INC., a Florida corporation not-for-profit

By: 

Print Name: Dan A. Benson

As its: President

Attest:

By: 

Print Name: COLLEEN KAY MCGUIRE

As its: SECRETARY

(CORPORATE SEAL)

EXHIBIT "D"

Copy of Water Management District Permit



EXHIBIT "D"

St. Johns River

Water Management District

Kirby B. Green III, Executive Director • David W. Fisk, Assistant Executive Director

4049 Reid Street • P.O. Box 1429 • Palatka, FL 32178-1429 • (386) 329-4500

On the Internet at www.sjrwmd.com.

February 18, 2005

M I Homes, Inc.
237 S Westmonte Dr Ste 111
Altamonte Springs, FL 32714

SUBJECT: Permit Number 40-095-64548-8
Stone Crest, Village 5

Dear Sir/Madam:

Enclosed is your general permit as authorized by the staff of the St. Johns River Water Management District on February 18, 2005.

This permit is a legal document and should be kept with your other important documents. The attached MSSW/Stormwater As-Built Certification Form should be filled in and returned to the Palatka office within thirty days after the work is completed. By so doing, you will enable us to schedule a prompt inspection of the permitted activity.

In addition to the MSSW/Stormwater As-Built Certification Form, your permit also contains conditions which require submittal of additional information. All information submitted as compliance to permit conditions must be submitted to the Palatka office address.

Permit issuance does not relieve you from the responsibility of obtaining permits from any federal, state and/or local agencies asserting concurrent jurisdiction for this work.

Please be advised that the District has not published a notice in the newspaper advising the public that it is issuing a permit for this proposed project. Publication, using the District form, notifies members of the public (third parties) of their rights to challenge the issuance of the general permit. If proper notice is given by publication, third parties have a 21-day time limit on the time they have to file a petition opposing the issuance of the permit. If you do not publish, a party's right to challenge the issuance of the general permit extends for an indefinite period of time. If you wish to have certainty that the period for filing such a challenge is closed, then you may publish, at your own expense, such a notice in a newspaper of general circulation. A copy of the form of the notice and a list of newspapers of general circulation is attached for your use.

In the event you sell your property, the permit will be transferred to the new owner, if we are notified by you within thirty days of the sale and if you provide the information required by 40C-1.612, F.A.C. Please assist us in this matter so as to maintain a valid permit for the new property owner.

GOVERNING BOARD

Ometrias D. Long, CHAIRMAN APOPKA	David G. Graham, VICE CHAIRMAN JACKSONVILLE	R. Clay Albright, SECRETARY OCALA	Duane Ottenstroer, TREASURER JACKSONVILLE
W. Michael Branch FERNANDINA BEACH	John G. Sowinski ORLANDO	William Kerr MELBOURNE BEACH	Ann T. Moore BUNNELL
			Susan N. Hughes JACKSONVILLE

• Thank you for your cooperation, and if this office can be of any further assistance to you, please do not hesitate to contact us.

Sincerely,



Lisette Bonilla
Data Management Specialist II
Division of Permit Data Services

Enclosures: Permit with As-built Certification Form
Notice of Rights
List of Newspapers for Publication

cc: District Permit File

Agent: M/I Homes
237 S Westmonte Drive Ste 111
Altamonte Springs, FL 32714

Consultant: Consul-Tech Development Services, Inc.
2828 Edgewater Drive Ste 200
Orlando, FL 32804

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT
Post Office Box 1429
Palatka, Florida 32178-1429

PERMIT NO. 40-095-64548-8

DATE ISSUED: February 18, 2005

PROJECT NAME: Stone Crest, Village 5

A PERMIT AUTHORIZING:

construction and operation of a 21.03-acre single-family residential development known as Stone Crest Village 5. The surface water management system includes 84-lots, associated roads, and two dry detention with underdrain systems.

LOCATION:

Section(s): 35

Township(s): 22S

Range(s): 27E

Orange County

MI Homes, Inc.
237 S Westmonte Dr Ste 111
Altamonte Springs, FL 32714

Permittee agrees to hold and save the St. Johns River Water Management District and its successors harmless from any and all damages, claims, or liabilities which may arise from permit issuance. Said application, including all plans and specifications attached thereto, is by reference made a part hereof.

This permit does not convey to permittee any property rights nor any rights or privileges other than those specified therein, nor relieve the permittee from complying with any law, regulation or requirement affecting the rights of other bodies or agencies. All structures and works installed by permittee hereunder shall remain the property of the permittee.

This permit may be revoked, modified or transferred at any time pursuant to the appropriate provisions of Chapter 373, Florida Statutes:

PERMIT IS CONDITIONED UPON:

See conditions on attached "Exhibit A", dated February 18, 2005

AUTHORIZED BY: St. Johns River Water Management District
Department of Resource Management

By: _____

(Service Center Director - Altamonte Springs)
David Dewey

"EXHIBIT A"
CONDITIONS FOR ISSUANCE OF PERMIT NUMBER 40-095-64548-8
M I HOMES, INC.
DATED FEBRUARY 18, 2005

1. All activities shall be implemented as set forth in the plans, specifications and performance criteria as approved by this permit. Any deviation from the permitted activity and the conditions for undertaking that activity shall constitute a violation of this permit.
2. This permit or a copy thereof, complete with all conditions, attachments, exhibits, and modifications, shall be kept at the work site of the permitted activity. The complete permit shall be available for review at the work site upon request by District staff. The permittee shall require the contractor to review the complete permit prior to commencement of the activity authorized by this permit.
3. Activities approved by this permit shall be conducted in a manner which do not cause violations of state water quality standards.
4. Prior to and during construction, the permittee shall implement and maintain all erosion and sediment control measures (best management practices) required to retain sediment on-site and to prevent violations of state water quality standards. All practices must be in accordance with the guidelines and specifications in chapter 6 of the Florida Land Development Manual: A Guide to Sound Land and Water Management (Florida Department of Environmental Regulation 1988), which are incorporated by reference, unless a project specific erosion and sediment control plan is approved as part of the permit, in which case the practices must be in accordance with the plan. If site specific conditions require additional measures during any phase of construction or operation to prevent erosion or control sediment, beyond those specified in the erosion and sediment control plan, the permittee shall implement additional best management practices as necessary, in accordance with the specifications in chapter 6 of the Florida Land Development Manual: A Guide to Sound Land and Water Management (Florida Department of Environmental Regulation 1988). The permittee shall correct any erosion or shoaling that causes adverse impacts to the water resources.
5. Stabilization measures shall be initiated for erosion and sediment control on disturbed areas as soon as practicable in portions of the site where construction activities have temporarily or permanently ceased, but in no case more than 7 days after the construction activity in that portion of the site has temporarily or permanently ceased.
6. At least 48 hours prior to commencement of activity authorized by this permit, the permittee shall submit to the District a Construction Commencement Notice Form No. 40C-4.900(3) indicating the actual start date and the expected completion date.
7. When the duration of construction will exceed one year, the permittee shall submit construction status reports to the District on an annual basis utilizing an Annual Status Report Form No. 40C-4.900(4). These forms shall be submitted during June of each year.
8. For those systems which will be operated or maintained by an entity which will require an easement or deed restriction in order to provide that entity with the authority necessary to operate or maintain the system, such easement or deed restriction, together with any other final operation or maintenance documents as are required by subsections 7.1.1 through 7.1.4 of the Applicant's Handbook: Management and Storage of Surface Waters, must be submitted to the District for approval. Documents meeting the requirements set forth in these subsections of the Applicant's Handbook will be approved. Deed restrictions, easements and other operation and maintenance documents which require recordation either with the Secretary of State or the Clerk of the Circuit Court must be so recorded prior

to lot or unit sales within the project served by the system, or upon completion of construction of the system, whichever occurs first. For those systems which are proposed to be maintained by county or municipal entities, final operation and maintenance documents must be received by the District when maintenance and operation of the system is accepted by the local governmental entity. Failure to submit the appropriate final documents referenced in this paragraph will result in the permittee remaining liable for carrying out maintenance and operation of the permitted system.

9. Each phase or independent portion of the permitted system must be completed in accordance with the permitted plans and permit conditions prior to the initiation of the permitted use of site infrastructure located within the area served by the portion or phase of the system. Each phase or independent portion of the system must be completed in accordance with the permitted plans and permit conditions prior to transfer of responsibility for operation and maintenance of that phase or portion of the system to local government or other responsible entity.
10. Within 30 days after completion of construction of the permitted system, or independent portion of the system, the permittee shall submit a written statement of completion and certification by a registered professional engineer or other appropriate individual as authorized by law, utilizing As Built Certification Form 40C-1.181(13) or 40C-1.181(14) supplied with this permit. When the completed system differs substantially from the permitted plans, any substantial deviations shall be noted and explained and two copies of as-built drawings submitted to the District. Submittal of the completed form shall serve to notify the District that the system is ready for inspection. The statement of completion and certification shall be based on on-site observation of construction (conducted by the registered professional engineer, or other appropriate individual as authorized by law, or under his or her direct supervision) or review of as-built drawings for the purpose of determining if the work was completed in compliance with approved plans and specifications. As-built drawings shall be the permitted drawings revised to reflect any changes made during construction. Both the original and any revised specifications must be clearly shown. The plans must be clearly labeled as "as-built" or "record" drawing. All surveyed dimensions and elevations shall be certified by a registered surveyor. The following information, at a minimum, shall be verified on the as-built drawings:
 1. Dimensions and elevations of all discharge structures including all weirs, slots, gates, pumps, pipes, and oil and grease skimmers;
 2. Locations, dimensions, and elevations of all filter, exfiltration, or underdrain systems including cleanouts, pipes, connections to control structures, and points of discharge to the receiving waters;
 3. Dimensions, elevations, contours, or cross-sections of all treatment storage areas sufficient to determine state-storage relationships of the storage area and the permanent pool depth and volume below the control elevation for normally wet systems, when appropriate;
 4. Dimensions, elevations, contours, final grades, or cross-sections of the system to determine flow directions and conveyance of runoff to the treatment system;
 5. Dimensions, elevations, contours, final grades, or cross-sections of all conveyance systems utilized to convey off-site runoff around the system;
 6. Existing water elevation(s) and the date determined; and Elevation and location of benchmark(s) for the survey.

11. The operation phase of this permit shall not become effective until the permittee has complied with the requirements of general condition 9 above, the District determines the system to be in compliance with the permitted plans, and the entity approved by the District in accordance with subsections 7.1.1 through 7.1.4 of the Applicant's Handbook: Management and Storage of Surface Waters, accepts responsibility for operation and maintenance of the system. The permit may not be transferred to such an approved operation and maintenance entity until the operation phase of the permit becomes effective. Following inspection and approval of the permitted system by the District, the permittee shall request transfer of the permit to the responsible approved operation and maintenance entity, if different from the permittee. Until the permit is transferred pursuant to section 7.1 of the Applicant's Handbook: Management and Storage of Surface Waters, the permittee shall be liable for compliance with the terms of the permit.
12. Should any other regulatory agency require changes to the permitted system, the permittee shall provide written notification to the District of the changes prior implementation so that a determination can be made whether a permit modification is required.
13. This permit does not eliminate the necessity to obtain any required federal, state, local and special district authorizations prior to the start of any activity approved by this permit. This permit does not convey to the permittee or create in the permittee any property right, or any interest in real property, nor does it authorize any entrance upon or activities on property which is not owned or controlled by the permittee, or convey any rights or privileges other than those specified in the permit and chapter 40C-4 or chapter 40C-40, F.A.C.
14. The permittee shall hold and save the District harmless from any and all damages, claims, or liabilities which may arise by reason of the activities authorized by the permit or any use of the permitted system.
15. Any delineation of the extent of a wetland or other surface water submitted as part of the permit application, including plans or other supporting documentation, shall not be considered specifically approved unless a specific condition of this permit or a formal determination under section 373.421(2), F.S., provides otherwise.
16. The permittee shall notify the District in writing within 30 days of any sale, conveyance, or other transfer of ownership or control of the permitted system or the real property at which the permitted system is located. All transfers of ownership or transfers of a permit are subject to the requirements of section 40C-1.612, F.A.C. The permittee transferring the permit shall remain liable for any corrective actions that may be required as a result of any permit violations prior to such sale, conveyance or other transfer.
17. Upon reasonable notice to the permittee, District authorized staff with proper identification shall have permission to enter, inspect, sample and test the system to insure conformity with the plans and specifications approved by the permit.
18. If historical or archaeological artifacts are discovered at any time on the project site, the permittee shall immediately notify the District.
19. The permittee shall immediately notify the District in writing of any previously submitted information that is later discovered to be inaccurate.
20. This permit for construction will expire five years from the date of issuance.
21. All wetland areas or water bodies that are outside the specific limits of construction authorized by this permit must be protected from erosion, siltation, scouring or excess turbidity, and dewatering.

22. Prior to construction, the permittee must clearly designate the limits of construction on-site. The permittee must advise the contractor that any work outside the limits of construction, including clearing, may be a violation of this permit.
23. This permit authorizes construction and operation of a surface water management system in accordance with the plans received by the District on January 21, 2005.
24. The operation and maintenance entity shall inspect the stormwater or surface water management system once within two years after the completion of construction and every two years thereafter to determine if the system is functioning as designed and permitted. The operation and maintenance entity must maintain a record of each required inspection, including the date of the inspection, the name, address, and telephone number of the inspector, and whether the system was functioning as designed and permitted, and make such record available for inspection upon request by the District during normal business hours.

If at any time the system is not functioning as designed and permitted, then within 14 days the entity shall submit an Exceptions Report on form number 40C-42.900(6), Exceptions Report for Stormwater Management Systems Out of Compliance.
25. Contained within the as-built report, the permittee must submit a soils analysis of the onsite detention with underdrain ponds verifying that the design permeability rates are provided. If the design permeability rates cannot be verified, the permittee must obtain a modification of this permit demonstrating that the design criteria and objectives of Chapter 40C-4 and 40C-42, F.A.C. are met.

Notice Of Rights

1. A person whose substantial interests are or may be determined has the right to request an administrative hearing by filing a written petition with the St. Johns River Water Management District (District), or may choose to pursue mediation as an alternative remedy under Sections 120.569 and 120.573, Florida Statutes, before the deadline for filing a petition. Choosing mediation will not adversely affect the rights to a hearing if mediation does not result in a settlement. The procedures for pursuing mediation are set forth in Sections 120.569 and 120.57, Florida Statutes, and Rules 28-106.111 and 28-106.401-.405, Florida Administrative Code. Pursuant to Chapter 28-106 and Rule 40C-1.1007, Florida Administrative Code, the petition must be filed at the office of the District Clerk at District Headquarters, P. O. Box 1429, Palatka, Florida 32178-1429 (4049 Reid St., Palatka, FL 32177) within twenty-six (26) days of the District depositing notice of District decision in the mail (for those persons to whom the District mails actual notice) or within twenty-one (21) days of newspaper publication of the notice of District decision (for those persons to whom the District does not mail actual notice). A petition must comply with Chapter 28-106, Florida Administrative Code.
2. If the Governing Board takes action which substantially differs from the notice of District decision, a person whose substantial interests are or may be determined has the right to request an administrative hearing or may choose to pursue mediation as an alternative remedy as described above. Pursuant to District Rule 40C-1.1007, Florida Administrative Code, the petition must be filed at the office of the District Clerk at the address described above, within twenty-six (26) days of the District depositing notice of final District decision in the mail (for those persons to whom the District mails actual notice) or within twenty-one (21) days of newspaper publication of the notice of its final agency action (for those persons to whom the District does not mail actual notice). Such a petition must comply with Rule Chapter 28-106, Florida Administrative Code.
3. A substantially interested person has the right to a formal administrative hearing pursuant to Section 120.569 and 120.57(1), Florida Statutes, where there is a dispute between the District and the party regarding an issue of material fact. A petition for formal must comply with the requirements set forth in Rule 28-106.201, Florida Administrative Code.
4. A substantially interested person has the right to an informal hearing pursuant to Sections 120.569 and 120.57(2), Florida Statutes, where no material facts are in dispute. A petition for an informal hearing must comply with the requirements set forth in Rule 28-106.301, Florida Administrative Code.
5. A petition for an administrative hearing is deemed filed upon delivery of the petition to the District Clerk at the District headquarters in Palatka, Florida.
6. Failure to file a petition for an administrative hearing, within the requisite time frame shall constitute a waiver of the right to an administrative hearing (Section 28-106.111, Florida Administrative Code).
7. The right to an administrative hearing and the relevant procedures to be followed are governed by Chapter 120, Florida Statutes, and Chapter 28-106, Florida Administrative Code and Section 40C-1.1007, Florida Administrative Code.

Notice Of Rights

8. An applicant with a legal or equitable interest in real property who believes that a District permitting action is unreasonable or will unfairly burden the use of his property, has the right to, within 30 days of receipt of notice of the District's written decision regarding a permit application, apply for a special master proceeding under Section 70.51, Florida Statutes, by filing a written request for relief at the office of the District Clerk located at District headquarters, P. O. Box 1429, Palatka, FL 32178-1429 (4049 Reid St., Palatka, Florida 32177). A request for relief must contain the information listed in Subsection 70.51(6), Florida Statutes.
9. A timely filed request for relief under Section 70.51, Florida Statutes, tolls the time to request an administrative hearing under paragraph no. 1 or 2 above (Paragraph 70.51(10)(b), Florida Statutes). However, the filing of a request for an administrative hearing under paragraph no. 1 or 2 above waives the right to a special master proceeding (Subsection 70.51(10)(b), Florida Statutes).
10. Failure to file a request for relief within the requisite time frame shall constitute a waiver of the right to a special master proceeding (Subsection 70.51(3), Florida Statutes).
11. Any substantially affected person who claims that final action of the District constitutes an unconstitutional taking of property without just compensation may seek review of the action in circuit court pursuant to Section 373.617, Florida Statutes, and the Florida Rules of Civil Procedures, by filing an action in circuit court within 90 days of the rendering of the final District action, (Section 373.617, Florida Statutes).
12. Pursuant to Section 120.68, Florida Statutes, a person who is adversely affected by final District action may seek review of the action in the District Court of Appeal by filing a notice of appeal pursuant to the Florida Rules of Appellate Procedure within 30 days of the rendering of the final District action.
13. A party to the proceeding before the District who claims that a District order is inconsistent with the provisions and purposes of Chapter 373, Florida Statutes, may seek review of the order pursuant to Section 373.114, Florida Statutes, by the Florida Land and Water Adjudicatory Commission, by filing a request for review with the Commission and serving a copy on the Department of Environmental Protection and any person named in the order within 20 days of adoption of a rule or the rendering of the District order.
14. For appeals to the District Court of Appeal, a District action is considered rendered after it is signed on behalf of the District, and is filed by the District Clerk.
15. Failure to observe the relevant time frames for filing a petition for judicial review described in paragraphs #11 and #12, or for Commission review as described in paragraph #13, will result in waiver of that right to review.

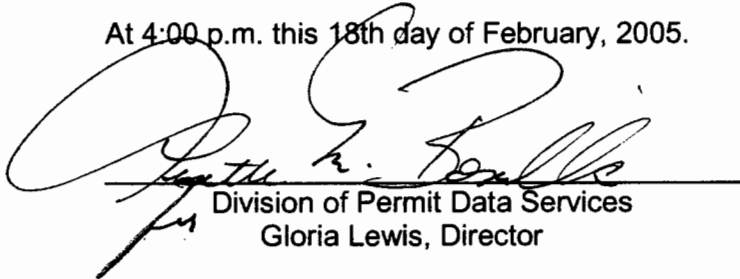
Notice Of Rights

Certificate of Service

I HEREBY CERTIFY that a copy of the foregoing Notice of Rights has been sent by U.S.
Mail to:

M I Homes, Inc.
237 S Westmonte Dr Ste 111
Altamonte Springs, FL 32714

At 4:00 p.m. this 18th day of February, 2005.



Division of Permit Data Services
Gloria Lewis, Director

St. Johns River Water Management District
Post Office Box 1429
Palatka, FL 32178-1429
(386) 329-4152

Permit Number: 40-095-64548-8