

THIS INSTRUMENT PREPARED BY:

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DECLARATION OF RESTRICTIONS AND COVENANTS

FOR

LAKESIDE PRESERVE

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DECLARATION OF RESTRICTIONS AND COVENANTS

FOR

LAKESIDE PRESERVE

THIS DECLARATION OF RESTRICTIONS AND COVENANTS FOR LAKESIDE PRESERVE (this "**Declaration**") is made by K. Hovnanian Windward Homes, LLC, a Florida limited liability company ("**Windward**") and joined in by Lakeside Preserve Homeowners' Association, Inc., a Florida not-for-profit corporation.

R E C I T A L S

- A. Windward is the owner of the real property in Manatee County, Florida, more particularly described in **Exhibit A** attached hereto and made a part hereof ("**Lakeside Preserve**").
- B. Windward desires to subject Lakeside Preserve to the covenants, conditions and restrictions contained in this Declaration.
- C. This Declaration is a covenant running with all of the land comprising Lakeside Preserve, and each present and future owner of interests therein and their heirs, successors and assigns are hereby subject to this Declaration;

NOW THEREFORE, in consideration of the premises and mutual covenants contained in this Declaration, Windward Homes hereby declares that every portion of Lakeside Preserve is to be held, transferred, sold, conveyed, used and occupied subject to the covenants, conditions, restrictions, easements, reservations, regulations, charges and liens hereinafter set forth.

1. **Recitals**. The foregoing Recitals are true and correct and are incorporated into and form a part of this Declaration.
2. **Definitions**. In addition to the terms defined elsewhere in this Declaration, all initially capitalized terms herein shall have the following meanings:

"**ACC**" shall mean the Architectural Control Committee established pursuant to Section 19 hereof.

"**Articles**" shall mean the Articles of Incorporation of Association filed with the Florida Secretary of State in the form attached hereto as **Exhibit B** and made a part hereof, as amended from time to time.

"**Assessments**" shall mean any assessments made in accordance with this Declaration and as further defined in Section 17 hereof.

"**Association**" shall mean Lakeside Preserve Homeowners' Association, Inc., its successors and assigns.

"**Association Documents**" shall mean this Declaration, the Articles, the By-Laws, the Rules and Regulations, and the Community Standards.

"**Board**" shall mean the Board of Directors of Association.

“**Builder**” shall mean any person or entity that purchases a Lot from Developer for the purpose of constructing one or more Homes.

“**By-Laws**” shall mean the By-Laws of Association in the form attached hereto as **Exhibit C** and made a part hereof, as amended from time to time.

“**Common Areas**” shall mean all real property interests and personality within Lakeside Preserve designated as Common Areas from time to time by Plat or recorded amendment to this Declaration and provided for, owned, leased by, or dedicated to, the common use and enjoyment of the Owners within Lakeside Preserve. The Common Areas shall include, without limitation, Surface Water Management System, open space areas, internal buffers, entrance features, perimeter buffers, landscaping, improvements, easement areas owned by others, public rights of way, additions, fountains, lakes, irrigation pumps, irrigation lines, parks, sidewalks, street lights, walls, commonly used utility facilities, project signage, parking areas, other lighting, entranceways, entrance features, electronic gates, gatehouses, cabana, meeting room, fitness center, card room, tennis courts, walls, and a community Monitoring System. The Common Areas do not include any portion of a Home. NOTWITHSTANDING ANYTHING HEREIN CONTAINED TO THE CONTRARY, THE DEFINITION OF “COMMON AREAS” AS SET FORTH IN THIS DECLARATION IS FOR DESCRIPTIVE PURPOSES ONLY AND SHALL IN NO WAY BIND OR OBLIGATE DEVELOPER TO CONSTRUCT OR SUPPLY ANY SUCH ITEM AS SET FORTH IN SUCH DESCRIPTION, THE CONSTRUCTION OR SUPPLYING OF ANY SUCH ITEM BEING IN DEVELOPER’S SOLE DISCRETION. FURTHER, NO PARTY SHALL BE ENTITLED TO RELY UPON SUCH DESCRIPTION AS A REPRESENTATION OR WARRANTY AS TO THE EXTENT OF THE COMMON AREAS TO BE OWNED, LEASED BY OR DEDICATED TO ASSOCIATION, EXCEPT AFTER CONSTRUCTION AND DEDICATION OR CONVEYANCE OF ANY SUCH ITEM.

“**Community Completion Date**” shall mean the date upon which all Homes in Lakeside Preserve, as ultimately planned and as fully developed, have been conveyed by Developer and/or Builder to Owners.

“**Community Standards**” shall mean such standards of conduct, maintenance or other activity, if any, established by the ACC pursuant to Section 19.5 hereof.

“**Contractors**” shall have the meaning set forth in Section 19.12.2 hereof.

“**Data Transmission Services**” shall mean (i) internet access services and (ii) enhanced services as defined in Section 64.702 of Title 47 of the Code of Federal Regulations, as amended from time to time, and without regard to whether the transmission facilities are used in interstate commerce.

“**Declaration**” shall mean this Declaration, together with all amendments and modifications thereof.

“**Developer**” shall mean Windward and any of its designees (including its affiliated or related entities which conduct land development, homebuilding and sales activities), successors and assigns who receive a written assignment of all or some of the rights of Developer hereunder. Such assignment need not be recorded in the Public Records in order to be effective. In the event of such a partial assignment, the assignee shall not be deemed Developer, but may exercise such rights of Developer specifically assigned to it. Any such assignment may be made on a non-exclusive basis.

“**Home**” shall mean a residential home and appurtenances thereto constructed on a Lot within Lakeside Preserve. A Home shall include, without limitation, a condominium unit, coach home, villa, townhouse unit, single family home and zero Lot line home. The term Home may not reflect the same division of property as reflected on a Plat. A Home shall be deemed created and have perpetual existence upon the issuance of a final or temporary Certificate of Occupancy for such residence; provided, however, the subsequent loss of such Certificate of Occupancy (e.g., by casualty or remodeling) shall not affect the status of a Home, or the obligation of Owner to pay Assessments with respect to such Home. The term “Home” includes any interest in land, improvements, or other property appurtenant to the Home.

“**Individual Assessments**” shall have the meaning set forth in Section 17.2.5 hereof.

“**Initial Capital Contribution**” shall have the meaning set forth in Section 17.11 hereof.

“**Lawn Maintenance Standards**” shall have the meaning set forth in Section 11.1.

“**Lender**” shall mean (i) the institutional and licensed holder of a first mortgage encumbering a Lot or Home or (ii) Developer and its affiliates, to the extent Developer or its affiliates finances the purchase of a Home or Lot initially or by assignment of an existing mortgage.

“**Windward**” shall mean K. Hovnanian Windward Homes, LLC., a Florida limited liability company, its successors and/or assigns.

“**Lot**” shall mean any platted lot shown on a Plat.

“**Lakeside Preserve**” shall have the meaning set forth in the Recitals hereof subject to additions and deletions thereto as permitted pursuant to the terms of this Declaration. Developer may, when amending or modifying the description of real property which is subject to the operation of this Declaration, also amend or modify the definition of Lakeside Preserve.

“**Master Plan**” shall mean collectively any full or partial concept plan for the development of Lakeside Preserve, as it exists as of the date of recording this Declaration, regardless of whether such plan is currently on file with one or more governmental agencies. The Master Plan is subject to change as set forth herein. The Master Plan is not a representation by Developer as to the development of Lakeside Preserve or its amenities, as Developer reserves the right to amend all or part of the Master Plan from time to time.

“**Monitoring System**” shall mean any electronic surveillance and/or monitoring system intended to control access, provide alarm service, and/or enhance the welfare of Lakeside Preserve. By way of example, and not of limitation, the term Monitoring System may include a central alarm system, electronic entrance gates, gatehouses, roving attendants, wireless communication to Homes, or any combination thereof. THE PROVISION OF A MONITORING SYSTEM SHALL IN NO MANNER CONSTITUTE A WARRANTY OR REPRESENTATION AS TO THE PROVISION OF OR LEVEL OF SECURITY WITHIN LAKESIDE PRESERVE. DEVELOPER, BUILDERS AND ANY ASSOCIATION DO NOT GUARANTEE OR WARRANT, EXPRESSLY OR BY IMPLICATION, THE MERCHANTABILITY OF FITNESS FOR USE OF ANY MONITORING SYSTEM, OR THAT ANY SUCH SYSTEM (OR ANY OF ITS COMPONENTS OR RELATED SERVICES) WILL PREVENT INTRUSIONS, FIRES, OR OTHER OCCURRENCES, REGARDLESS OF WHETHER OR NOT THE MONITORING SERVICE IS DESIGNED TO MONITOR THE SAME. EACH AND

EVERY OWNER AND THE OCCUPANT OF EACH HOME ACKNOWLEDGES THAT DEVELOPER, BUILDERS, AND ANY ASSOCIATION, THEIR EMPLOYEES, AGENTS, MANAGERS, DIRECTORS, AND OFFICERS, ARE NOT INSURERS OF OWNERS OR HOMES, OR THE PERSONAL PROPERTY LOCATED WITHIN HOMES. DEVELOPER, BUILDERS AND ANY ASSOCIATION WILL NOT BE RESPONSIBLE OR LIABLE FOR LOSSES, INJURIES, OR DEATHS RESULTING FROM ANY SUCH EVENTS.

“Quarterly Assessments” shall have the meaning set forth in Section 17.2.1 hereof.

“Operating Costs” shall mean all costs and expenses of Association and the Common Areas including, without limitation, all costs of ownership; operation; administration; all amounts payable by Association; all amounts required to maintain the all community lighting including up-lighting and entrance lighting; all amounts required to maintain the Surface Water Management System; all amounts payable in connection with any private street lighting agreement between Association and Florida Power and Light Company; amounts payable to a Telecommunications Provider for Telecommunications Services furnished to all Owners; utilities; taxes; insurance; bonds; Monitoring System costs; salaries; management fees; professional fees; service costs; supplies; maintenance; repairs; replacements; refurbishments; common area landscape maintenance; and any and all costs relating to the discharge of the obligations hereunder, or as determined to be part of the Operating Costs by Association. By way of example, and not of limitation, Operating Costs shall include all of Association’s legal expenses and costs relating to or arising from the enforcement and/or interpretation of this Declaration.

“Owner” shall mean the record owner (whether one or more persons or entities) of fee simple title to any Home. The term “Owner” shall not include Developer, Builder, or a Lender.

“Permit” shall mean Permit No. 44027553 issued by SWFWM.

“Plat” shall mean any plat of any portion of Lakeside Preserve filed in the Public Records, as the same may be amended by Developer, from time to time.

“Public Records” shall mean the Public Records of Manatee County, Florida.

“Resale Capital Contribution” shall have the meaning set forth in Section 17.12 hereof.

“Reserves” shall have the meaning set forth in Section 17.2.4 hereof.

“Rules and Regulations” shall mean the Rules and Regulations governing Lakeside Preserve as adopted by the Board from time to time.

“SWFWMD” shall mean the Southwest Florida Water Management District.

“Special Assessments” shall mean those Assessments more particularly described as Special Assessments in Section 17.2.2 hereof.

“Surface Water Management System” shall mean the collection of devices, improvements, or natural systems whereby surface waters are controlled, impounded or obstructed. This term includes exfiltration trenches, Wetland Conservation Areas, mitigation areas, lakes, retention areas, water management areas, ditches, culverts, structures, dams, impoundments, reservoirs, drainage maintenance

easements and those works defined in Section 373.403(1)-(5) of the Florida Statutes. The Lakeside Preserve Surface Water Management System includes those works authorized by SWFWMD pursuant to the Permit.

“Title Documents” shall have the meaning set forth in Section 24.8 hereof.

“Turnover Date” shall mean the date on which transition of control of the Association occurs from Developer to Owners.

“Use Fees” shall have the meaning set forth in Section 17.2.3 hereof.

“Wetland Conservation Areas” shall have the meaning set forth in Section 10.4.3 herein. The Wetland Conservation Areas are part of the Common Areas and will be maintained by Association

“Windward” shall mean K. Hovnanian Windward Homes, LLC, a Florida limited liability company, its successors and/or assigns.

3. **Plan of Development.** The planning process for Lakeside Preserve is an ever-evolving one and must remain flexible in order to be responsible to and accommodate the needs of Developer’s buyers. Subject to the Title Documents, Developer may wish and has the right to develop Lakeside Preserve and adjacent property owned by Developer into residences, comprised of homes, villas, coach homes, townhomes, zero Lot line homes, patio homes, multi-family homes, condominiums, rental apartments, and other forms of residential dwellings, as well as commercial development, which may include shopping centers, stores, office buildings, showrooms, industrial facilities, technological facilities, and professional offices. The existence at any point in time of walls, landscape screens, or berms is not a guaranty or promise that such items will remain or form part of Lakeside Preserve as finally developed.

4. **Amendments.**

4.1 **General Restrictions on Amendments.** Notwithstanding any other provision herein to the contrary, no amendment to this Declaration shall affect the rights of Developer unless such amendment receives the prior written consent of Developer, which consent may be withheld for any reason whatsoever. No amendment shall alter the provisions of this Declaration benefiting Lenders without the prior approval of the Lender(s) enjoying the benefit of such provisions. If the prior written approval of any governmental entity or agency having jurisdiction is required by applicable law or governmental regulation for any amendment to this Declaration, then the prior written consent of such entity or agency must also be obtained. All amendments must comply with Section 10.4 which benefits the SWFWMD. No amendment shall be effective until it is recorded in the Public Records.

4.2 **Amendments Prior to the Turnover Date.** Prior to the Turnover Date, Developer shall have the right to amend this Declaration as it deems appropriate, without the joinder or consent of any person or entity whatsoever. Such amendments may include, without limitation, the creation of easements for Telecommunications Systems, utility, drainage, ingress and egress and roof overhangs over any portion of Lakeside Preserve; additions or deletions from the properties comprising the Common Areas; changes in the Rules and Regulations, and modifications of restrictions on the Homes, and maintenance standards for landscaping. Developer’s right to amend under this provision is to be construed as broadly as possible. By way of example, and not as a limitation, Developer may create easements over Homes conveyed to Owners provided that such easements do not prohibit the use of such Homes as a residential home. In the

event that Association shall desire to amend this Declaration prior to the Turnover Date, Association must first obtain Developer's prior written consent to any proposed amendment. Thereafter, an amendment identical to that approved by Developer may be adopted by Association pursuant to the requirements for amendments from and after the Turnover Date. Thereafter, Developer shall join in such identical amendment so that its consent to the same will be reflected in the Public Records. To the extent legally required, each Owner shall be deemed to have granted to Developer and, thereafter, Association an irrevocable power of attorney, coupled with an interest, for the purposes herein expressed.

4.3 Amendments From and After the Turnover Date. After the Turnover Date, **but subject to the general restrictions on amendments set forth above**, this Declaration may be amended with the approval of (i) sixty six and two-thirds percent (66-2/3%) of the Board; and (ii) seventy-five percent (75%) of all of the votes present (in person or by proxy) at a duly called meeting of the Members in which a quorum is present. For the purpose of amending this Declaration, a quorum will be thirty percent (30%) of the Members of Association. In addition, notwithstanding any other provision in this Declaration, the Articles or By-Laws to the contrary, the Board shall have the power to unilaterally amend this Declaration to bring any provisions herein into compliance with any governmental or quasi-governmental statute, rule, regulation, or requirement, or judicial ruling. To the extent legally required, each Owner shall be deemed to have granted to the Association an irrevocable power of attorney, coupled with an interest, for this purpose.

5. Annexation and Withdrawal.

5.1 Annexation by Developer. Prior to the Turnover Date, additional lands may be made part of Lakeside Preserve by Developer. Such additional lands to be annexed may or may not be adjacent to Lakeside Preserve. Except for applicable governmental approvals (if any), no consent to such annexation shall be required from any other party (including, but not limited to, Association, Owners or any Lenders of any Lot or Home). Such annexed lands shall be brought within the provisions and applicability of this Declaration by the recording of an amendment to this Declaration in the Public Records. The amendment shall subject the annexed lands to the covenants, conditions, and restrictions contained in this Declaration as fully as though the annexed lands were described herein as a portion of Lakeside Preserve. Such amendment may contain additions to, modifications of, or omissions to the covenants, conditions, and restrictions contained in this Declaration as deemed appropriate by Developer and as may be necessary to reflect the different character, if any, of the annexed lands. Prior to the Turnover Date, only Developer may add additional lands to Lakeside Preserve.

5.2 Annexation by Association. After the Turnover Date, and subject to applicable governmental approvals (if any), additional lands may be annexed with the approval of (i) sixty-six and two-thirds percent (66-2/3%) of the Board; and (ii) seventy-five percent (75 %) of all of the votes (in person or by proxy) of Association at a duly called meeting of the members in which there is a quorum is present.

5.3 Withdrawal. Prior to the Turnover Date, any portions of Lakeside Preserve (or any additions thereto) may be withdrawn by Developer from the provisions and applicability of this Declaration by the recording of an amendment to this Declaration in the Public Records. The right of Developer to withdraw portions of Lakeside Preserve shall not apply to any Home which has been conveyed to an Owner unless that right is specifically reserved in the instrument of conveyance or the prior written consent of the Owner is obtained. The withdrawal of any portion of Lakeside Preserve shall not require the consent or joinder of any other party (including, but not limited to, Association, Owners,

or any Lenders of any Lot or Home). Association shall have no right to withdraw land from Lakeside Preserve.

6. Dissolution.

6.1 Generally. In the event of the dissolution of Association without reinstatement within thirty (30) days, other than incident to a merger or consolidation, any Owner may petition the Circuit Court of the appropriate Judicial Circuit of the State of Florida for the appointment of a receiver to manage the affairs of the dissolved Association and to manage the Common Areas in the place and stead of Association, and to make of such provisions as may be necessary for the continued management of the affairs of the dissolved Association. In the event Association is dissolved, the Surface Water Management System shall be conveyed to an appropriate agency of local government, and that if not accepted, then the Surface Water Management System shall be dedicated to a similar non-profit corporation.

6.2 Applicability of Declaration after Dissolution. In the event of dissolution of Association, Lakeside Preserve and each Home therein shall continue to be subject to the provisions of this Declaration, including, without limitation, the provisions respecting Assessments specified in this Declaration. Each Owner shall continue to be personally obligated to the successors or assigns of Association for Assessments to the extent that Assessments are required to enable the successors or assigns of Association to properly maintain, operate and preserve the Common Areas. The provisions of this Section shall only apply with regard to the maintenance, operation, and preservation of those portions of Lakeside Preserve which had been Common Areas and continue to be so used for the common use and enjoyment of the Owners.

7. Binding Effect and Membership.

7.1 Term. The term of this Declaration shall be thirty (30) years from the date this Declaration is recorded, after which time said covenants shall automatically be extended for successive periods of ten (10) years. The Board of Directors shall follow the procedures set forth in Chapters 712 and 720 of the Florida Statutes as amended from time to time. Each Owner, by acceptance of title to a Home or Lot, and any person claiming by, through or under such Owner, agrees to be subject to this Declaration and the provisions hereof. The provisions of this Declaration are equitable servitudes and run with the land.

7.2 Transfer. The transfer of the fee simple title to a Home, whether voluntary or by operation of law, terminating the Owner's title to that Home shall terminate the Owner's rights to the use of and enjoyment of the Common Areas as it pertains to that Home and shall terminate such Owner's membership in Association. An Owner's rights and privileges under this Declaration are not assignable separately from a Home. The Owner of each Home is entitled to the benefits of, and is burdened with the duties and responsibilities set forth in, the provisions of this Declaration. All parties acquiring any right, title and interest in and to any Home shall be fully bound by the provisions of this Declaration. In no event shall any Owner acquire any rights that are greater than the rights granted to, and limitations placed upon its predecessor in title pursuant to the provisions of this Declaration. In the event that any Owner desires to sell or otherwise transfer title of his or her Home, such Owner shall give the Board at least fourteen (14) days prior written notice of the name and address of the purchaser or transferee, the date on which such transfer of title is to take place, and such other information as the Board may reasonably require. The transferor shall remain jointly and severally liable with the transferee for all obligations of the Owner and the Home pursuant to this Declaration including, without limitation, payment of all

Assessments accruing prior to the date of transfer. Until written notice is received as provided in this Section, the transferor and transferee shall be jointly and severally liable for Assessment accruing subsequent to the date of transfer. In the event that upon the conveyance of a Home an Owner fails in the deed of conveyance to reference the imposition of this Declaration on the Home, the transferring Owner shall remain liable for Assessments accruing on the Home from and after the date of conveyance.

7.3 Membership and Voting Rights.

7.3.1 Upon acceptance of title to a Home, and as more fully provided in the Articles and By-Laws, each Owner (or his or her Tenant, if applicable) shall be a member of Association. Membership rights are governed by the provisions of this Declaration, the deed to a Home, the Articles and By-Laws. Membership shall be appurtenant to and may not be separated from, the ownership of a Home. Developer rights with respect to Association are set forth in this Declaration, the Articles and By-Laws.

7.3.2 The Association shall have two (2) classes of voting membership:

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

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

7.3.2.1 When Developer conveys ninety percent (90%) of the Lots that may be ultimately conveyed by the Developer in the Property to members; or

7.3.2.2 Ten (10) years from the date of filing of this Declaration;

7.3.2.3 Such earlier date as determined in the sole discretion of the Developer.

7.4 Ownership by Entity. In the event that an Owner is other than a natural person, that Owner shall, prior to occupancy of the Home, designate one or more persons who are to be the occupants of the Home and register such persons with Association. All provisions of this Declaration and Rules and Regulations promulgated pursuant thereto shall apply to both such Owner and the designated occupants.

7.5 Voting Interests. Voting interests in Association are governed by the provisions of the Articles and By-Laws.

7.6 Document Recordation by Owners Prohibited. Neither Association nor any Owner, nor group of Owners, may record any documents which, in any way, affect or restrict the rights of Developer, or conflict with the provisions of this Declaration.

7.7 Conflicts. In the event of any conflict among this Declaration, the Articles, By-Laws or any of Association Documents, this Declaration shall control.

8. Paramount Right of Developer. Notwithstanding anything to the contrary herein, prior to the Community Completion Date Developer shall have the paramount right to dedicate, transfer, and/or convey (by absolute conveyance, easement, or otherwise) portions of Lakeside Preserve for various public purposes or for the provision of Telecommunications Systems, or to make any portions of Lakeside Preserve part of the Common Areas, or to create and implement a special taxing district which may include all or any portion of Lakeside Preserve. In addition, the Common Areas of Lakeside Preserve may include decorative improvements, berms and waterbodies. Notwithstanding anything to the contrary herein, the waterbodies may be dry during certain weather conditions or during certain times of the year.

9. Operation of Common Areas.

9.1 Prior to Conveyance. Prior to the conveyance, identification and/or dedication of the Common Areas to Association, any portion of the Common Areas owned by Developer shall be operated, maintained, and administered at the sole cost of Association for all purposes and uses reasonably intended, as Developer in its sole discretion deems appropriate. During such period, Developer shall own, operate, and administer the Common Areas without interference from any Owner or Lender of a Lot or Home or any other person or entity whatsoever. Owners shall have no right in or to any Common Areas referred to in this Declaration unless and until same are actually constructed, completed, and conveyed to, leased by, dedicated to, and/or maintained by Association. The current conceptual plans and/or representations, if any, regarding the composition of the Common Areas are not a guarantee of the final composition of the Common Areas. No party should rely upon any statement contained herein as a representation or warranty as to the extent of the Common Areas to be owned, leased by, or dedicated to Association. Developer, so long as it controls Association, further specifically retains the right to add to, delete from, or modify any of the Common Areas referred to herein at its discretion without notice.

9.2 Construction of Common Areas Facilities. Developer has constructed or will construct, at its sole cost and expense, certain facilities and improvements as part of the Common Areas, together with equipment and personality contained therein, and such other improvements and personality as Developer determines in its sole discretion. Developer shall be the sole judge of the composition of such facilities and improvements. Prior to the Community Completion Date Developer reserves the absolute right to construct additional Common Areas facilities and improvements within Lakeside Preserve, from time to time, in its sole discretion, and to remove, add to modify and change the boundaries, facilities and improvements now or then part of the Common Areas. Developer is not obligated to, nor has it represented that it will, modify or add to the facilities, improvements, or Common Areas as they are contemplated as of the date hereof. Developer is the sole judge of the foregoing, including the plans, specifications, design, location, completion schedule, materials, size, and contents of the facilities, improvements, appurtenances, personality (e.g., furniture), color, textures, finishes, or Common Areas, or changes or modifications to any of them.

9.3 Use of Common Areas by Developer. Until the Community Completion Date Developer shall have the right to use any portion of the Common Areas, without charge, for any purpose deemed appropriate by Developer.

9.4 Conveyance.

9.4.1 Generally. Within sixty (60) days after the Community Completion Date, or earlier as determined by Developer in its sole discretion, all or portions of the Common Areas may be dedicated by Plats, created in the form of easements, or conveyed by written instrument recorded in the Public Records, or by Quitclaim Deed from Developer to Association. Association shall pay all costs of the conveyance. The dedication, creation by easement, or conveyance shall be subject to easements, restrictions, reservations, conditions, limitations, and declarations of record, real estate taxes for the year of conveyance, zoning, land use regulations and survey matters. Association shall be deemed to have assumed and agreed to pay all continuing obligations and service and similar contracts relating to the ownership operation, maintenance, and administration of the conveyed portions of Common Areas and other obligations relating to the Common Areas imposed herein. Association shall, and does hereby, indemnify and hold Developer harmless on account thereof. Association, by its joinder in this Declaration, hereby accepts such dedication(s) or conveyance(s) without setoff, condition, or qualification of any nature. The Common Areas, personal property and equipment thereon and appurtenances thereto shall be dedicated or conveyed in "as is, where is" condition without any representation or warranty, expressed or implied, in fact or by law, as to the condition, fitness or merchantability of the common areas being conveyed.

9.4.2 Form of Deed Each deed of the Common Areas shall be subject to the following provisions:

9.4.2.1 a perpetual nonexclusive easement in favor of governmental agencies for the maintenance and repair of existing road, speed and directional signs, if any;

9.4.2.2 matters reflected in the plat(s) of the Community;

9.4.2.3 perpetual non-exclusive easements in favor of Developer, its successors, and assigns in, to, upon and over all of the Common Areas for the purposes of vehicular and pedestrian ingress and egress, installation of utilities, landscaping and/or drainage, without charge, including, without limitation, the right to use such roadways for construction vehicles and equipment. The easements reserved in the deed shall run in favor of Developer, and its employees, representatives, agents, licensees, guests, invitees, successors and/or assigns;

9.4.2.4 all restrictions, easements, covenants and other matters of record;

9.4.2.5 in the event that Association believes that Developer shall have failed in any respect to meet Developer's obligations under this Declaration or has failed to comply with any of Developer's obligations under law or the Common Areas conveyed herein are defective in any respect, Association shall give written notice to Developer detailing the alleged failure or defect. Once Association has given written notice to Developer pursuant to this Section, Association shall be obligated to permit Developer and their agents to perform inspections of the Common Areas and to perform all tests and make all repairs/replacements deemed necessary by Developer to respond to such notice at all reasonable times. Association agrees that any inspection, test and/or repair/replacement scheduled on a business day between 9 a.m. and 5 p.m. shall be deemed scheduled at a reasonable time. The rights reserved in this Section include the right of Developer to repair or address, in Developer's sole option and expense, any aspect of the Common Areas deemed defective by Developer during its inspections of the Common Areas. Association's failure to give the notice and/or otherwise comply with the provisions of

this Section will damage Developer. At this time, it is impossible to determine the actual damages Developer might suffer. Accordingly, if Association fails to comply with its obligations under this Section in any respect, Association shall pay to Developer liquidated damages in the amount of \$250,000.00 which Association and Developer agree is a fair and reasonable remedy; and

9.4.2.6 a reservation of right in favor of Developer (so long as Developer owns any portion of the Community) to require that Association re-convey all or a portion of the Common Areas conveyed by quitclaim deed in favor of Developer in the event that such property is required to be owned by Developer for any purpose, including, without limitation, the reconfiguration of any adjacent property by re-platting or otherwise.

9.5 Operation After Conveyance. After the conveyance or dedication of any portion of the Common Areas to Association, the portion of the Common Areas so dedicated shall be owned, operated and administered by Association for the use and benefit of the owners of all property interests in Lakeside Preserve including, but not limited to, Association, Developer, Owners and any Lenders. Subject to Association's right to grant easements, and other interests as provided herein, Association may not convey, abandon, alienate, encumber, or transfer all or a portion of the Common Areas to a third party **without** (i) if prior to the Community Completion Date, the approval of (a) a majority of the Board; **and** (b) the consent of Developer, or (ii) from and after the Community Completion Date, approval of (a) sixty-six and two-thirds percent (66 2/3%) of the Board; and (b) seventy-five percent (75%) of all of the votes in Association.

9.6 Delegation. Once conveyed or dedicated to Association, the Common Areas and facilities and improvements located thereon shall, subject to the provisions of this Declaration and the document of conveyance or dedication, at all times be under the complete supervision, operation, control, and management of Association. Notwithstanding the foregoing Association may delegate all or a portion of its obligations hereunder to a licensed manager or professional management company. Association specifically shall have the right to pay for management services on any basis approved by the Board (including bonuses or special fee arrangements for meeting financial or other goals). Developer, its affiliates and/or subsidiaries shall have the right to manage Association. Owners and Association acknowledge that it is fair and reasonable to have Developer, its affiliates and/or subsidiaries manage Association. Further, in the event that Common Area is created by easement, Association's obligations and rights with respect to such Common Area may be limited by the terms of the document creating such easement.

9.7 Use.

9.7.1 Nonexclusive Use. The Common Areas shall be used and enjoyed by the Owners on a non-exclusive basis in common with other persons, entities and corporations (who may, but are not required to be, members of Association) entitled to use those portions of the Common Areas. Prior to the Community Completion Date, Developer, and thereafter, Association, has the right, at any and all times, and from time to time, to further additionally provide and make the Common Areas available to other individuals, persons, firms, or corporations, as it deems appropriate. The granting of such rights shall not invalidate this Declaration, reduce or abate any Owner's obligations pursuant to this Declaration, or give any Owner the right to avoid any of the covenants, agreements or obligations to be performed hereunder.

9.7.2 Right to Allow Use. Developer and/or Association may enter into easement agreements or other use or possession agreements whereby the Owners, Telecommunications Providers, and/or Association and/or others may obtain the use, possession of, or other rights regarding certain property, on an exclusive or non-exclusive basis, for certain specified purposes. Association may agree to maintain and pay the taxes, insurance, administration, upkeep, repair, and replacement of such property, the expenses of which shall be Operating Costs. Any such agreement by Association prior to the Community Completion Date shall require the consent of Developer. Thereafter, any such agreement shall require the approval of the majority of the Board of Directors.

9.7.3 Waterbodies. BY ACCEPTANCE OF A DEED TO A HOME OR LOT, EACH OWNER ACKNOWLEDGES THAT THE WATER LEVELS OF ALL WATERBODIES MAY VARY. THERE IS NO GUARANTEE BY DEVELOPER OR ASSOCIATION THAT WATER LEVELS WILL BE CONSTANT OR AESTHETICALLY PLEASING AT ANY PARTICULAR TIME; AT TIMES, WATER LEVELS MAY BE NONEXISTENT. Developer and Association shall not be obligated to erect fences, gates, or walls around or adjacent to any waterbody or waterfall within Lakeside Preserve. Notwithstanding the foregoing, an Owner may erect a fence adjacent to the boundary of a waterbody but within the boundary of a Home with the prior approval of the ACC. No fence or other structure may be placed within any lake maintenance easement. Swimming and boating will not be permitted in any waterbody. No private docks may be erected within any waterbody forming part of the Common Areas.

9.7.4 Obstruction of Common Areas. No portion of the Common Areas may be obstructed, encumbered, or used by Owners for any purpose other than as permitted by Association.

9.7.5 Assumption of Risk. Without limiting any other provision herein, each person within any portion of the Common Areas accepts and assumes all risk and responsibility for noise, liability, injury, or damage connected with use or occupation of any portion of such Common Areas, including, without limitation, (a) noise from maintenance equipment, (b) use of pesticides, herbicides and fertilizers, (c) view restrictions caused by maturation of trees and shrubbery, (d) reduction in privacy caused by the removal or pruning of shrubbery or trees within Lakeside Preserve, and (e) design of any portion of Lakeside Preserve. Each such person entering onto any portion of Lakeside Preserve also expressly indemnifies and agrees to hold harmless Developer, Association, Builders and all employees, directors, representatives, officers, agents, and partners of the foregoing, from any and all damages, whether direct or consequential, arising from or related to the person's use of the Common Areas, including for attorneys' fees, paraprofessional fees and costs at trial and upon appeal. Without limiting the foregoing, all persons using the Common Areas, including without limitation, all waterbodies, lakes, pools or areas adjacent to a lake, do so at their own risk. BY ACCEPTANCE OF A DEED, EACH OWNER ACKNOWLEDGES THAT THE COMMON AREAS MAY CONTAIN WILDLIFE SUCH AS ALLIGATORS, RACCOONS, SNAKES, DUCKS, DEER, SWINE, TURKEYS, AND FOXES. DEVELOPER, BUILDERS AND ASSOCIATION SHALL HAVE NO RESPONSIBILITY FOR MONITORING SUCH WILDLIFE OR NOTIFYING OWNERS OR OTHER PERSONS OF THE PRESENCE OF SUCH WILDLIFE. EACH OWNER AND HIS OR HER GUESTS AND INVITEES ARE RESPONSIBLE FOR THEIR OWN SAFETY.

9.7.6 Owner's Obligation to Indemnify. Each Owner agrees to indemnify and hold harmless Developer and Association, their officers, partners, agents, employees, affiliates, directors and attorneys (collectively, "**Indemnified Parties**") against all actions, injury, claims, loss, liability, damages, costs and expenses of any kind or nature whatsoever incurred by or asserted against any of the Indemnified Parties from and after the date hereof, whether direct, indirect, or consequential, as a result of

or in any way related to the Common Areas, including, without limitation, use of the lakes and other waterbodies within Lakeside Preserve by Owners, and their guests, family members, invitees, or agents, or the interpretation of this Declaration and/or exhibits attached hereto and/or from any act or omission of Developer or Association, or of any of the Indemnified Parties. Should any Owner bring suit against Developer, Association or any of the Indemnified Parties for any claim or matter and fail to obtain judgment therein against such Indemnified Parties, such Owner shall be liable to such parties for all Losses, costs and expenses incurred by the Indemnified Parties in the defense of such suit, including attorney's fees and paraprofessional fees at trial and upon appeal.

9.8 Rules and Regulations.

9.8.1 Generally. Prior to Turnover Date, Developer, and thereafter Association, shall have the right to adopt Rules and Regulations governing the use of the Common Areas. The Rules and Regulations need not be recorded in the Public Records. The Common Areas shall be used in accordance with this Declaration and Rules and Regulations promulgated relating thereto.

9.8.2 Developer Not Subject to Rules and Regulations. The Rules and Regulations shall not apply to Developer or to any property owned by Developer, or adversely affect the interests of Developer. Without limiting the foregoing, Developer, and/or its designees or assigns, shall have the right to: (i) develop and construct commercial and industrial uses, Homes, Common Areas and related improvements within Lakeside Preserve, and make any additions, alterations, improvements, or changes thereto; (ii) maintain sales offices (for the sale and re-sale of (a) Homes and (b) residences and properties located outside of Lakeside Preserve), general office and construction operations within Lakeside Preserve; (iii) place, erect or construct portable, temporary or accessory buildings or structure within Lakeside Preserve for sales, construction storage or other purposes; (iv) temporarily deposit, dump or accumulate materials, trash and rubbish in connection with the development or construction of any portion of Lakeside Preserve; (v) post, display, inscribe or affix to the exterior of any portion of the Common Areas or portions of Lakeside Preserve owned by Developer, signs and other materials used in developing, constructing, selling or promoting the sale of any portion Lakeside Preserve including, without limitation, Lots and Homes; (vi) excavate fill from any lakes or waterways within and/or contiguous to Lakeside Preserve by dredge or dragline, store fill within Lakeside Preserve and remove and/or sell excess fill; and grow or store plants and trees within, or contiguous to, Lakeside Preserve and use and/or sell excess plants and trees; and (vii) undertake all activities which, in the sole opinion of Developer, are necessary for the development and sale of any lands and improvements comprising Lakeside Preserve.

9.9 Public Facilities. Lakeside Preserve may include one or more facilities which may be open and available for the use of the general public. By way of example, there may be a public park, fire station, police station, or other facility within the boundaries of Lakeside Preserve.

9.10 Default by Another Owner. No default by any Owner in the performance of the covenants and promises contained in this Declaration or by any person using the Common Areas or any other act or omission by any of them shall be construed or considered (a) a breach by Developer or Association or a non-defaulting Owner or other person or entity of any of their promises or covenants in this Declaration; or (b) an actual, implied or construction dispossession of another Owner from the Common Areas; or (c) an excuse, justification, waiver or indulgence of the covenants and promises contained in this Declaration.

9.11 Special Taxing Districts. For as long as Developer controls Association, Developer shall have the right, but not the obligation, to dedicate or transfer or cause the dedication or transfer of all or portions of the Common Areas of Association to a public agency or authority under such terms as Developer deems appropriate in order to create or contract with special taxing districts (or others) for lighting, landscaping, irrigation areas, lakes, waterways, ponds, surface water management systems, wetlands mitigation areas, parks, recreational or other services, security or communications, or other similar purposes deemed appropriate by Developer, including without limitation, the maintenance and/or operation of any of the foregoing. As hereinafter provided, Developer may sign any taxing district petition as attorney-in-fact for each Owner. Each Owner's obligation to pay taxes associated with such district shall be in addition to such Owner's obligation to pay Assessments. Any special taxing district shall be created pursuant to all applicable ordinances of the county and all other applicable governing entities having jurisdiction with respect to the same.

9.12 Water Mains. In the event the county or any of its subdivisions, agencies, and/or divisions must remove any portion of a Home driveway which is within any portion of the Common Areas, then Association will be responsible to replace or repair the driveway at Association's expense, if such expenses are not paid for by the County, or other entity.

9.13 Association's Obligation to Indemnify. Association and Owners each covenant and agree jointly and severally to indemnify, defend and hold harmless Developer, its officers, directors, shareholders, and any related persons or corporations and its employees from and against any and all claims, suits, actions, causes of action or damages arising from any personal injury, loss of life, or damage to property, sustained on or about the Common Areas, or other property serving Association, and improvements thereon, or resulting from or arising out of activities or operations of Association or Owners, and from and against all costs, expenses, court costs, attorneys' fees and paraprofessional fees (including, but not limited to, all trial and appellate levels and whether or not suit be instituted), expenses and liabilities incurred or arising from any such claim, the investigation thereof, or the defense of any action or proceedings brought thereon, and from and against any orders judgments or decrees which may be entered relating thereto. The costs and expense of fulfilling this covenant of indemnification shall be Operating Costs to the extent such matters are not covered by insurance maintained by Association.

9.14 Site Plans and Plats. Lakeside Preserve may be subject to one or more plats (each individually, a "Plat"). The Plat may identify some of the Common Areas within Lakeside Preserve. The description of the Common Areas on a Plat is subject to change and the notes on a Plat are not a guarantee of what facilities will be constructed on such Common Areas. Site plans used by Developer in its marketing efforts illustrate the types of facilities which may be constructed on the Common Areas, but such site plans are not a guarantee of what facilities will actually be constructed. Each Owner should not rely on a Plat or any site plans used for illustration purposes as the Declaration governs the rights and obligations of Developer and Owners with respect to the Common Areas.

10. Maintenance by Association.

10.1 Common Areas. Except as otherwise specifically provided in this Declaration to the contrary, Association shall at all times maintain, repair, replace and insure the Common Areas, including all improvements placed thereon.

10.2 Lawn Maintenance. All lawn maintenance of Homes shall be the responsibility of each Owner. The Owner of each Home shall be responsible for the maintenance of the sprinkler system and

any or all landscaping and other improvements within any portion of the Lot containing the Homes to include the public right-of-way between the boundary of such Owner's Home and the edge of the adjacent paved roadway. In the event grass is not maintained, Association may, but shall not be obligated to, cut the grass, pursuant to the procedure set forth in Section 20.2 of this Declaration. The costs and expenses of such maintenance plus \$25.00, or such amount as determined by the board of directors from time to time, shall be charged to such Owner as an Individual Assessment.

10.3 Irrigation System.

10.3.1 Central Irrigation System. Developer shall at its sole cost and expense, install the components of the Central Irrigation System, to include without limitation, pump stations and facilities, irrigation pumps and transmission pipes and line, electric panels, pedestals, and wires, wells and pumping equipment and controls. The foregoing components, together with all timers, valves, and other accessory equipment and components comprising the Central Irrigation System, as the same may be modified from time to time (but not including the separate Lot Irrigation Systems as described in Section 10.4), are referred to herein as the "Central Irrigation System". The Central Irrigation System will utilize water withdrawn from the lakes and ponds within Lakeside Preserve, supplemented by a lake recharge well, subject to receipt of all applicable governmental permits.

10.3.2 Mandatory Lot Irrigation System. Each Lot shall be required by the Association to have automated lawn irrigation system with automated times (the "Lot Irrigation System"). Such system shall be connected to the Central Irrigation System. The Lot Irrigation System shall be installed and connected to the Central Irrigation System at the time of original construction of Lot improvements at the cost and expense of the Owner of such Lot. The design and specification of materials used for the Lot Irrigation System and its connection to the Central Irrigation System for each particular Lot shall be as specified and approved by Association and shall provide complete coverage of Lot to include the public right-of-way between the boundary of such Owner's Home and the edge of the adjacent paved roadway. In order to ensure the efficient operation of the Central Irrigation System and the individual Lot Irrigation Systems, the timer settings for each individual Lot Irrigation System shall be set in accordance with a watering schedule as established by Association, which schedule shall be adjusted by Association as it deems proper.

10.3.3 Operation and Maintenance. Association shall be responsible for maintenance of the Central Irrigation System as described in Section 10.1.1 up to the point of connection to each Lot (but not including the separate Lot Irrigation Systems of the Owners on their respective Lots). Maintenance of the Central Irrigation System will be an Operating Cost of Association. Owner of a Lot shall do nothing to interfere with the operation of the Central Irrigation System, and shall be liable to the Association for any damage to the Central Irrigation System caused by the willful acts or negligence of such Owner, his tenants and their respective families, guests, contractors, licensees and invitees. The Developer and Association and their agents shall have the right to enter upon any Lot to (i) monitor and set Lot Irrigation System timers; and (ii) inspect, maintain, repair and replace portions of the Central Irrigation System on such Lot, and shall have the right to relocate such installations from time to time. All components of the Lot Irrigation System and automatic timers up to the point of connection to the Central Irrigation System shall be maintained, repaired and replaced at the cost and expense of the Owner of such Lot. Association shall develop an irrigation schedule for Lots and Common Areas and shall be the sole determinant of the timing and frequency of irrigation, and any policies or restrictions adopted shall be enforceable against all Owners. Association shall have the authority to impose watering restrictions as are imposed on it by governmental authorities or as they adopt in their sole discretion. Owners use of the system at

unauthorized times may result in monetary penalties and loss of rights to use the Central Irrigation System. Association shall have the right to collect monetary penalties as set forth in Section 17. All Owners acknowledge that irrigation water provided by Association will not be potable water, but will be surface water, well water, or water withdrawn from lakes within Lakeside Preserve, which surface or lake water will be recharged from underground wells. Developer and Association shall not be liable to the Owner for any interruption in irrigation service, the quality of irrigation water, the source of irrigation water or any damage to the landscaping or sod on Lots or Common Areas caused by providing or not providing irrigation service. Developer and Association are not obligated to provide, nor do they warrant availability of any set level of water pressure.

10.3.4 Reclaimed Effluent Irrigation System. It shall be the responsibility of each Owner at the time of construction of a Home to comply with the requirements, if any, of the Manatee County Public Works Department to have the ability to connect into any system for reclaimed effluent irrigation which may be installed in the future. In connections therewith, each Owner may be required by Manatee County to install an effluent meter, backflow preventer, and such other equipment required for connection to the reclaimed effluent irrigation system, if required by Manatee County. Notwithstanding the foregoing, each Lot shall remain connected to the Central Irrigation System and shall not connect to any reclaimed effluent system unless the Developer (or after turnover, Association) elects to require connection or unless connection is mandated and enforced by Manatee County.

10.3.5 Manatee County Irrigation Restrictions. Manatee County requires that the lowest quality water possible be used for irrigation purposes. In-ground irrigation using Manatee County public potable water supply is prohibited on Common Areas and individual Lots.

10.4 Surface Water Management System.

10.4.1 Duty to Maintain. The Surface Water Management System within Lakeside Preserve will be owned, maintained and operated by Association as permitted by the SWFWMD. If owned by Association as Common Areas, the costs of the operation and maintenance of the Surface Water Management System shall be part of the Operating Costs of Association. Should Lakeside Preserve contain a wetland mitigation area that requires ongoing monitoring and maintenance, Association shall allocate sufficient funds in its annual budget for the cost of monitoring and maintaining of the wetland mitigation area until such time as the District determines that the area(s) is successful in accordance with the Environmental Resource Permit. Notwithstanding the foregoing, the SWFWMD has the right to take enforcement action, including a civil action for injunction and penalties against Association to compel it to correct any outstanding problems with the Surface Water Management System facilities or in mitigation or conservation areas under the responsibility or control of Association. Association shall accept any and all transfer of permits from Developer. Association shall cooperate with Developer with any applications, certifications, documents or consents required to effectuate any such transfer of permits to Association.

10.4.2 Amendments to Association Documents. Any proposed amendment to Association Documents which will affect the Surface Water Management System including any environmental conservation area and the water management portions of the Common Areas, must have the prior written approval of the SWFWMD. Association's registered agent shall maintain copies of all Surface Water Management System permits and correspondence respecting such permits, and any future SWFWMD permit actions shall be maintained by Association's registered agent for Association's benefit.

10.4.3 Wetland Conservation Areas. Lots may contain or be adjacent to wetlands, wetland mitigation or preservation areas, upland conservation areas and drainage easements, which may be dedicated by Plat and/or protected by a conservation easement ("Wetland Conservation Areas"). Owners of Homes abutting Wetland Conservation Areas shall not remove native vegetation (including cattails) that become established within the Wetland Conservation Areas abutting their Home. Removal includes dredging, the application of herbicide, cutting, and the introduction of grass carp. Owners shall address any questions regarding authorized activities within the Wetland Conservation Areas to the SWFWMD, Sarasota Service Office, Surface Water Regulation Manager.

10.4.4 Use Restrictions for Wetland Conservation Areas. The conservation areas may in no way be altered from their natural or permitted state. These use restrictions may be defined on the Permit and the plats associated with Lakeside Preserve. Activities prohibited within the conservation areas include, but are not limited to, the following:

10.4.4.1 Construction or placing of buildings, roads, signs, billboards or other advertising, utilities, or other structures on or above the ground;

10.4.4.2 Dumping or placing of soil or other substances or material as landfill, or dumping or placing of trash, waste, or unsightly or offensive materials;

10.4.4.3 Excavation, dredging, or removal of loam, peat, gravel, soil, rock or other material substance in such manner as to affect the surface;

10.4.4.4 Surface use except for purposes that permit the land or water area to remain predominately in its natural condition;

10.4.4.5 Activities detrimental to drainage, flood control, water conservation, erosion control, or fish and wildlife habitat preservation or conservation;

10.4.4.6 Acts or uses detrimental to such aforementioned retention and maintenance of land or water areas; and

10.4.4.7 Acts or uses detrimental to the preservation of any features or aspects of the property having historical, archeological or cultural significance.

10.4.4.8 No Builder or Owner within Lakeside Preserve may construct or maintain any building, residence, or structure, or undertake or perform any activity in the Wetland Conservation Areas described in the Permit and recorded plat(s) of Lakeside Preserve, unless prior approval is received from the SWFWMD Sarasota Regulation Department.

10.4.4.9 Each Builder and Owner within Lakeside Preserve at the time of construction of a building, residence, or structure shall comply with the construction plans for the Surface Water Management System approved and on file with the SWFWMD.

10.5 Manatee County Conservation Easement Requirements. Unless permitted by the Manatee County Land Development Code, the following acts and activities are expressly prohibited within the boundaries of the Conservation Easement as depicted on the plat for Lakeside Preserve without the prior consent of Manatee County:

10.5.1 Construction or placing of buildings, roads, signs, billboards or other advertising, or other structures on or above the ground;

10.5.2 Construction or placing of utilities on, below or above the ground without appropriate local, state and federal permits or other authorization;

10.5.3 Dumping or placing of soil or other substances or material as landfill or dumping or placing trash, waste, unsightly or offensive materials;

10.5.4 Removal, mowing, or trimming of trees, shrubs or other vegetation;

10.5.5 Application of herbicides, pesticides or fertilizers;

10.5.6 Excavation, dredging or removal of loam, peat, gravel, soil, rock or other material substances in such manner as to affect the surface;

10.5.7 Surface use except for purposes that permit the land or water areas to remain in its natural condition;

10.5.8 Any activity detrimental to drainage, flood control, water conservation, erosion control, soil conservation or fish and wildlife habitat preservation;

10.5.9 Acts or uses detrimental to such retention of land or water areas; and

10.5.10 Removal or destruction of trees, shrubs or other vegetation; with exception of nuisance and exotic plant species as may be required of Developer. Thereafter, all areas of Lakeside Preserve that are owned or maintained by Association will be routinely monitored for the growth of nuisance and exotic plant species such as Brazilian peppers and measures will be taken to remove any exotic plants that are identified. Annual reports certifying that the common areas are free of such exotic species will be submitted to the Natural Resources Division of the Manatee County Planning Department for the lifetime of the community or as required by the department. Annual reports will identify any upland areas of Lakeside Preserve that contain exotic species and the recommendations for removal and control of these exotic species.

10.6 Adjoining Areas. Except as otherwise provided herein, Association shall also maintain those drainage areas, swales, lake maintenance easements, lake slopes and banks, and landscape areas that are within the Common Areas provided that such areas are readily accessible to Association. Under no circumstances shall Association be responsible for maintaining any areas within fences or walls that form a part of a Home.

10.7 Negligence. The expense of any maintenance, repair or construction of any portion of the Common Areas necessitated by the negligent or willful acts of an Owner, or persons utilizing the Common Areas, through or under an Owner, shall be borne solely by such Owner and the Home and/or Lot owned by that Owner shall be subject to an Individual Assessment for that expense. By way of example, and not of limitation, an Owner shall be responsible for the removal of all landscaping and structures placed within easements or Common Areas without the prior written approval of Association.

10.8 Right of Entry. Developer and Association are granted a perpetual and irrevocable easement over, under and across Lakeside Preserve for the purposes herein expressed including, without limitation, for inspections to ascertain compliance with the provisions of this Declaration, and for the performance of any maintenance, alteration or repair which it is entitled to perform. Without limiting the foregoing, Developer specifically reserves easements for all purposes necessary to comply with any governmental requirement or to satisfy any condition that is a prerequisite for a governmental approval. By way of example, and not of limitation, Developer may construct, maintain, repair, alter, replace and/or remove improvements; install landscaping; install utilities; and/or remove structures on any portion of Lakeside Preserve if Developer is required to do so in order to obtain the release of any bond posted with any governmental agency.

10.9 Maintenance of Property Owned by Others. Association shall, if designated by Developer (or by Association after the Community Completion Date) by amendment to this Declaration or any document of record, including without limitation declaration(s) of condominium, maintain vegetation, landscaping, community identification/features and/or other areas or elements designated by Developer (or by Association after the Community Completion Date) upon areas which are within or outside of Lakeside Preserve. Such areas may abut, or be proximate to, Lakeside Preserve, and may be owned by, or be dedicated to, others including, but not limited to, a utility, governmental or quasi-governmental entity or a Condominium Association. These areas may include (for example and not limitation) swale areas, landscape buffer areas, berm areas or median areas within the right-of-way of public streets, roads, drainage areas, community identification or entrance features, community signage or other identification and/or areas within canal rights-of-ways or other abutting waterways. To the extent there is any agreement between Developer and Association for the maintenance of any lakes or ponds outside Lakeside Preserve, Association shall maintain the same as part of the Common Areas. Native vegetation and enhanced landscaping within any roadway buffers, greenbelts, and tree and native plant preservation areas maintained by Association, must not be disturbed and will remain in a natural state. Plant communities shall be protected at all times. Association and Owners must comply with current Manatee County Code in maintenance of these areas.

11. Maintenance by Owners. All lawns, landscaping and sprinkler systems and any property, structures, improvements and appurtenances not maintained by Association shall be well maintained and kept in first class, good, safe, clean, neat and attractive condition consistent with the general appearance of Lakeside Preserve by the Owner of each Home. Each Owner is specifically responsible for maintaining all grass, landscaping and improvements within any portion of a Home that is fenced.

11.1 Lawn Maintenance Standards. Lawn Maintenance Standards will be promulgated by the ACC with the approval of the Board and shall apply to landscaping maintained by Owners. The Lawn Maintenance Standards shall include requirements for seeding and/or sodding, watering, mowing and weeding of all lawns; pruning and trimming of all shrubbery, hedges and trees; and chemical treatment of all landscape materials. The Lawn Maintenance Standards shall be effective from the date of adoption and shall have the effect of covenants as if set forth herein verbatim.

11.1.1 Right of Association to Enforce. Association shall have the right to enforce the foregoing Lawn Maintenance Standards by all necessary legal action. In the event that Association is the prevailing party with respect to any litigation respecting the Lawn Maintenance Standards, it shall be entitled to recover all of its associated costs, attorneys' fees and paraprofessional fees and costs at trial and upon appeal. In the event that an Owner does not maintain their landscaping in accordance with the Lawn Maintenance Standards described hereinabove, Association, or its designees, shall be entitled to

enter the property to perform the maintenance described herein and levy an Individual Assessment against the Owner for the costs of such maintenance.

11.2 Landscaping and Irrigation of Lots; Removal of Sod and Shrubbery; Additional Planting.

11.2.1 Following the conveyance of a Home by Developer or Builder to an Owner, no landscaping other than that which is installed in connection with the construction of the Home and annuals planted by an Owner, shall be permitted to be installed without the prior written approval of the ACC.

11.2.2 Every Owner shall be required to irrigate the grass and landscaping located on the Lots in a routine and ordinary manner, and shall ensure that sufficient irrigation occurs during all periods when the Owner is absent from the Lot.

11.2.3 All grass and landscaping located within any rear yard of a Lot that is fenced pursuant to Section 12.13 herein, shall be maintained by the Owner. No gardens, Jacuzzis, fountains, playground equipment, pools, screened rooms, or other permitted improvements shall be constructed within the rear yard of a Lot without the prior written approval of the ACC.

11.2.4 Without the prior consent of the ACC, no sod, topsoil, tree or shrubbery shall be removed from Lakeside Preserve, and there shall be no change in the plant landscaping, elevation, condition of the soil or the level of the land of such areas which results in any change in the flow and drainage of surface water which the ACC, in its sole discretion, considers detrimental or potentially detrimental to person or property.

11.2.5 Swales between Homes may not be landscaped or filled in any manner.

11.2.6 No landscape lighting shall be installed by an Owner without the prior written approval of the ACC.

11.3 Lake and Canal Common Areas. The rear yard of some Homes may contain lake slopes. It is the responsibility of Association to maintain the lake slopes and banks to the water and to maintain any grass that may be located thereon. Erosion of slopes and banks is possible due to drainage or roof culvert outfalls and runoff and can effect the integrity of the lake or canal bank. Owner will notify Association if the lake bank erodes more than 10" from its original shape. It is recommended that any maintenance to correct such erosion be performed during the months of November through April. Further, each such Owner shall ensure that lake and canal banks and slopes remain free of any structural or landscape encroachments so as to permit vehicular access for maintenance when needed. Association may establish from time to time additional maintenance standards for the lake and canal maintenance by Owners who own Homes adjacent to Common Area waterbodies (the "Lake Slope Maintenance Standards"). Such standards may include requirements respecting compaction and strengthening of lake banks. Association shall have the right to inspect such lake and canal slopes and banks to insure that each Owner has complied with its obligations hereunder and under the Lake Slope Maintenance Standards. Each Owner hereby grants Association an easement of ingress and egress across his or her Home to all adjacent lake and canal areas for the purpose of insuring compliance with the requirements of this provision and the Lake Slope Maintenance Standards. For the purposes of this Declaration, each day that an Owner fails to comply with the requirements of this paragraph or any Lake Slope Maintenance Standards shall be deemed a separate and independent violation of this Declaration.

11.4 Common Area Enclosed by a Private Fence. The ACC has no obligation to ever let an Owner enclose any part of the Common Areas. Notwithstanding the foregoing, if an Owner has installed a fence or wall, with ACC approval, around a Home, or any portion thereof, then such Owner must maintain any portion of the Common Areas that is no longer readily accessible to Association.

11.5 Weeds and Refuse. No weeds, underbrush, or other unsightly growth shall be permitted to be grown or remain upon any Home. No refuse or unsightly objects shall be allowed to be placed or suffered to remain upon any Home.

11.6 Driveway and Sidewalk Easement. Each Owner shall be responsible to repair any damage to a driveway which comprises part of a Home and the sidewalk abutting the front Lot of the Home, including, but not limited to, any damage caused by Association or by the holder of any easement over which such driveway or sidewalk is constructed. Each Owner, by acceptance of a deed to a Home, shall be deemed to have agreed to indemnify and hold harmless Association and the holder of any such easement, including without limitation, all applicable utility companies and governmental agencies, their agents, servants, employees and elected officials, from and against any and all actions or claims whatsoever arising out of the use of the Common Areas and any easement or the construction and/or maintenance of any driveway or sidewalk in that portion of the Common Areas, easement area, or in a public right-of-way between the boundary of such Owner's Home and the edge of the adjacent paved roadway. Further, each Owner agrees to reimburse Association any expense incurred in repairing any damage to such driveway or sidewalk in the event that such Owner fails to make the required repairs, together with interest at the highest rate allowed by law.

12. Use Restrictions.

12.1 Alterations and Additions. No material alteration, addition or modification to a Lot or Home, or material change in the appearance thereof, shall be made without the prior written approval thereof being first had and obtained from the ACC as required by this Declaration.

12.2 Animals. No animals, livestock, or poultry or pets of any kind shall be raised, bred or kept within Lakeside Preserve, except that Owners may keep domestic pets as permitted by Manatee County ordinances up to a limit of three (3) such pets and further that they are not kept, bred, or maintained for any commercial purposes. Other than vicious breeds such as Pit Bulls, Rottweillers, Doberman Pinchers, "wolf hybrids" or mixed breeds containing these breeds, and/or uninsurable pets (e.g., pets that create policy coverage exclusions under insurance policies purchased by the Association or pets that cause increases insurance policy premiums under insurance policies purchased by the Association), Owners may keep domestic pets as permitted by this Declaration. Notwithstanding the foregoing, pets may be kept or harbored in a Home only so long as such pets or animals do not constitute a nuisance or cause unsanitary conditions. For the purposes of this Section 12.2, pets shall be deemed to constitute a nuisance if they create excessive or disturbing noises, whether by barking or otherwise, or if the pet has shown any violent or aggressive behavior or otherwise poses a danger to the health, safety, or welfare of any person. Animals that have attacked or bitten any person or another person's pet shall constitute a nuisance and shall not be kept on any Home. The foregoing expression of specific behaviors that shall constitute a nuisance shall in no way limit the determination that other behaviors also constitute a nuisance. Any pet in violation of this section shall be brought into compliance within twenty-four (24) hours of notice by the Board, including but not limited to, the removal of the pet from Lakeside Preserve if the pet has attacked or bitten a person or other person's pet. Maintenance and keeping of pets within Lakeside Preserve and in any residence may be otherwise regulated in any manner, consistent herewith, by Association Rules as

may from time to time be established by the Board of the Association. All pets shall be walked on a leash. No pet shall be permitted outside a Home unless such pet is kept on a leash or within a fenced yard of a Home. For the purposes of this Section 12.2, invisible electronic fences are not deemed to be fences in compliance herewith and dog runs or enclosures shall NOT be permitted on any Home. No pet or animal shall be "tied out" on the exterior of the Home or in the Common Areas, or left unattended in a yard or on a balcony, porch, or patio. All pets shall defecate only in the "pet walking" areas within Lakeside Preserve designated for such purpose, if any, or on that Owner's Home. The person walking the pet or the Owner shall clean up all matter created by the pet. Each Owner shall be responsible for the activities of its pet. Notwithstanding anything to the contrary, seeing-eye dogs shall not be governed by the restrictions contained in this Section.

12.3 Artificial Vegetation. No artificial grass, plants or other artificial vegetation, or rocks or other landscape devices, shall be placed or maintained upon the exterior portion of any Home or Lot, unless approved by the ACC.

12.4 Casualty Destruction to Improvements. In the event that a Home or other improvement is damaged or destroyed by casualty loss or other loss, then within a reasonable period of time after such incident, the Owner thereof shall either commence to rebuild or repair the damaged Home or improvement and diligently continue such rebuilding or repairing until completion, or properly clear the damaged Home or improvement and restore or repair the Home as approved by the ACC. As to any such reconstruction of a destroyed Home or improvements, the same shall only be replaced as approved by the ACC.

12.5 Commercial Activity. Except for normal construction activity, sale, and re-sale of a Home, sale or re-sale of other property owned by Developer and administrative offices of Developer or Builders, no commercial or business activity shall be conducted in any Home within Lakeside Preserve. Notwithstanding the foregoing, and subject to applicable statutes and ordinances, an Owner may maintain a home business office within a Home for such Owner's personal use; provided, however, business invitees customers, and clients shall not be permitted to meet with Owners in Homes unless the Board provides otherwise in the Rules and Regulations. No Owner may actively engage in any solicitations for commercial purposes within Lakeside Preserve. No solicitors of a commercial nature shall be allowed within Lakeside Preserve, without the prior written consent of Association. No day care center or facility may be operated out of a Home. No garage sales are permitted, except as permitted by Association. Prior to the Community Completion Date, Association shall not permit any garage sales without the prior written consent of Developer.

12.6 Completion and Sale of Units. No person or entity shall interfere with the completion and sale of Homes within Lakeside Preserve. Without limiting the foregoing, each Owner, by acceptance of a deed, agrees that picketing and posting negative signs is strictly prohibited.

12.7 Control of Contractors. Except for direct services which may be offered to Owners (and then only according to the Rules and Regulations relating thereto as adopted from time to time), no person other than an Association officer shall direct, supervise, or in any manner attempt to assert any control over any contractor of Association.

12.8 Cooking. No cooking shall be permitted nor shall any goods or beverages be consumed on the Common Areas except in areas designated for those purposes by Association. The ACC shall have the right to prohibit or restrict the use of grills or barbecue facilities throughout Lakeside Preserve.

12.9 Decorations. No decorative objects including, but not limited to, birdbaths, light fixtures, sculptures, statues, weather vanes, or flagpoles shall be installed or placed within or upon any portion of Lakeside Preserve without the prior written approval of the ACC. Notwithstanding the foregoing, holiday lighting and decorations shall be permitted to be placed upon the exterior portions of the Home and upon the Lot in the manner permitted hereunder commencing on Thanksgiving and shall be removed not later than January 15th of the following year. The ACC may establish standards for holiday lights. The ACC may require the removal of any lighting that creates a nuisance (e.g., unacceptable spillover to adjacent Home).

12.10 Disputes as to Use. If there is any dispute as to whether the use of any portion of Lakeside Preserve complies with this Declaration, such dispute shall, prior to the Community Completion Date, be decided by Developer, and thereafter by Association. A determination rendered by such party with respect to such dispute shall be final and binding on all persons concerned.

12.11 Drainage System. Once a drainage system or drainage facilities are installed by Developer, the maintenance of such system and/or facilities thereafter shall be the responsibility of the Owner of the Home which includes such system and/or facilities. In the event that such system or facilities (whether comprised of swales, pipes, pumps, waterbody slopes, or other improvements) is adversely affected by landscaping, fences, structures, or additions, the cost to correct, repair, or maintain such drainage system and/or facilities shall be the responsibility of the Owner of each Home containing all or a part of such drainage system and/or facilities. By way of example, and not of limitation, if the Owner of one Home plants a tree (pursuant to ACC approval) and the roots of such tree subsequently affect pipes or other drainage facilities within another Home, the Owner who plants the tree shall be solely responsible for the removal of the roots which adversely affects the adjacent Home. Likewise, if the roots of a tree located within the Common Areas adversely affect an adjacent Home, Association shall be responsible for the removal of the roots and the costs thereof shall be Operating Costs. Notwithstanding the foregoing, Association and Developer shall have no responsibility or liability for drainage problems of any type whatsoever.

12.12 Extended Vacation and Absences. In the event a Home will be unoccupied for an extended period, the Home must be prepared prior to departure by: (i) notifying Association; (ii) removing all removable furniture, plants and other objects from outside the Home; and (iii) designating a responsible firm or individual to care for the Home, should the Home suffer damage or require attention, and providing a key to that firm or individual. The name of the designee shall be furnished to Association. Association shall have no responsibility of any nature relating to any unoccupied Home.

12.13 Fences/Walls/Screens. No walls or fences shall be erected or installed without prior written consent of the ACC. No wooden or chain link fencing of any kind shall be allowed. Fences shall not be installed flush to the ground so that drainage will be blocked in any way. The ACC may permit Owners of Homes on Lots which abut, run along, intersect with or join the boundary of any pond, lake, waterbody, or conservation area to install fences up to six (6) feet; however, beginning a minimum of ten (10) feet from the rear set back of the Home and extending rearward, such fence shall be made of an open design such as a picket fence and shall be no greater than 52' in height. Due to Association's maintenance requirements and responsibilities, the installation of fences within a drainage easement area is not expected to be approved by the ACC. However, in the event a fence is installed within a drainage easement area, with prior written ACC approval, the Owner is solely responsible for fence repair or replacement if the drainage easement area needs to be accessed or as otherwise provided in Section 16.9 hereof. In addition to ACC approval, Owner must obtain, at his or her own cost and expense, an

agreement in writing executed by the Association approving such fence, which agreement may be recorded by the Association in its sole and absolute discretion. All screening and screened enclosures shall have the prior written approval of the ACC and shall be constructed utilizing white, black or bronze aluminum. Screening shall be charcoal in color. All buildings on the perimeter lots along Red Rooster Road and Fort Hamer Road shall be restricted to one story and a maximum height of twenty-two feet (22'), as building height is defined in the Land Development Code. Any pool cages or other screened cages on above mentioned perimeter lots shall not exceed the height of the home and shall utilize materials of a dark color such as black or bronze. All enclosures of balconies or patios, including addition of vinyl windows, shall be approved by the ACC and all decks shall have the prior written approval of the ACC.

12.14 Fuel Storage. No fuel storage shall be permitted within Lakeside Preserve, except as may be necessary or reasonably used for swimming pools, spas, barbecues, fireplaces or similar devices.

12.15 Garages. Each Home will have its own garage. No garage shall be converted into a general living area. Garage doors shall remain closed at all times except when vehicular or pedestrian access is required. Screen enclosures will not be permitted on garages.

12.16 Garbage Cans. Trash collection and disposal procedures established by Association shall be observed. No outside burning of trash or garbage is permitted. No garbage cans, supplies or other similar articles shall be maintained on any Home so as to be visible from outside the Home or Lot. Each Owner shall be responsible for properly depositing his or her garbage and trash in garbage cans and trash containers sufficient for pick-up by the appropriate collection agencies in accordance with the requirements of any such agency. All such trash receptacles shall be maintained in a sanitary condition and shall be shielded from the view of adjacent properties and streets. Garbage cans and trash containers shall not be placed outside the Home for pick-up earlier than 6:00 p.m. on the day preceding the pick-up.

12.17 General Use Restriction. Each Home, the Common Areas and any portion of Lakeside Preserve shall not be used in any manner contrary to Association Documents.

12.18 Hurricane Shutters. Any hurricane shutters or other protective devices visible from outside a Home shall be of a type as approved by the ACC. Panel, accordion and roll-up style hurricane shutters may not be left closed during hurricane season. Any such approved hurricane shutters may be installed up to forty-eight (48) hours prior to the expected arrival of a hurricane and must be removed within five (5) days after the end of a hurricane watch or warning or as the Board may determine otherwise. Except as the Board may otherwise decide, shutters may not be closed at any time other than a storm event.

12.19 Irrigation. Due to water quality, irrigation systems may cause staining on Homes, other structures or paved areas. It is each owner's responsibility to treat and remove any such staining. Association may require from time to time, that Owners adopt systems to prevent stains (e.g., automatic deionization systems). No Owner whose Home adjoins a waterway or lake may utilize the waterway or lake to irrigate unless so provided by Developer as part of original construction, subject to applicable permitting. Association may use waterways and lakes to irrigate Common Areas subject to applicable permitting. **BY ACCEPTANCE OF A DEED TO A HOME OR LOT, EACH OWNER ACKNOWLEDGES THAT THE WATER LEVELS OF ALL LAKES AND WATERBODIES MAY VARY. THERE IS NO GUARANTEE BY DEVELOPER OR ASSOCIATION THAT WATER LEVELS WILL BE CONSTANT OR AESTHETICALLY PLEASING AT ANY PARTICULAR TIME.** Developer and Association shall have the right to use one or more pumps to remove water from lakes and

waterbodies for irrigation purposes at all times, subject to applicable permitting. Developer may utilize a computerized loop system to irrigate the Common Areas and/or Homes. Any computerized loop irrigation system shall be the maintenance obligation of Association and shall be deemed part of the Common Areas.

12.20 Laundry. Subject to the provisions of Section 163.04 of the Florida Statutes, to the extent applicable, no mops or laundry of any kind, or any other similar type article, shall be hung or exposed so as to be visible outside the Home or Lot. Clotheslines may be installed in the rear yard of a Home so long as they are not visible from the front of the Home and can be disassembled by Owner within one (1) minute.

12.21 Lawful Use. No immoral, improper, offensive, unlawful or obnoxious use shall be made of any portion of Lakeside Preserve. All laws, zoning ordinances and regulations of all governmental entities having jurisdiction thereof shall be observed. The party responsible for meeting the requirements of governmental entities for maintenance, modification or repair of a portion of Lakeside Preserve shall be the same party responsible for maintenance, modification and/or repair of the property concerned under this Declaration.

12.22 Leases. Homes may be leased, licensed or occupied only in their entirety and no fraction or portion may be rented. No bed and breakfast facility may be operated out of a Home. Individual rooms of a Home may not be leased on any basis. No transient tenants may be accommodated in a Home.

12.22.1 Lease Requirements. All leases or occupancy agreements of Homes (collectively, "**Lease Agreements**") are subject to the following provisions:

12.22.1.1 All Lease Agreements shall be in writing. A copy of all Lease Agreements shall be provided to Association if so requested by Association;

12.22.1.2 All Lease Agreements, together with an application signed by both the Owner and tenant, in a form approved by Association, shall be submitted to Association at least seven (7) days prior to commencement of the lease term;

12.22.1.3 The Owner shall pay the lease application fee prescribed by Association. The initial lease application fee shall be twenty five dollars (\$25.00) and may be increased from time to time;

12.22.1.4 The Owner shall conduct a background check on each prospective tenant at such Owner's cost and expense and at the request of Association shall provide such background check to Association;

12.22.1.5 No Lease Agreement may be for a term of less than one (1) year;

12.22.1.6 No Home may be leased more than two (2) times in any calendar year unless otherwise approved by Association in the case of hardship;

12.22.1.7 The tenant, as part of the Lease Agreement, shall agree to abide by and adhere to the terms and conditions of this Declaration together with all Rules and Regulations and all policies adopted by Association;

12.22.1.8 The Owner shall agree to remove, at the Owner's sole expense, by legal means including eviction, his or her tenant should the tenant refuse or fail to abide by and adhere to this Declaration, the Rules and Regulations and any other policies adopted by Association. Notwithstanding the foregoing, should an Owner fail to perform his or her obligations under this Section, the Association shall have the right, but not the obligation, to evict such tenant and the costs of the same shall be the responsibility of Owner;

12.22.1.9 All Lease Agreements shall require the Home to be used solely as a private single family residence;

12.22.1.10 Each Lease Agreement shall contain a uniform attachment (the "Uniform Lease Exhibit") incorporating provisions that require the tenant(s) to abide by the Declaration and Bylaws, Rules and Regulations of the Association which govern the Home. The Uniform Lease exhibit shall contain other provisions deemed necessary by the Board of Directors from time to time. Failure to incorporate such Uniform Lease Exhibit into the terms of any lease shall cause such lease to be void; and

12.22.1.11 Each Lease Agreement shall contain the Uniform Lease Exhibit designating the Association's duly authorized officer as the Owner's attorney-in-fact for the purpose of and with the authority to terminate any such Lease Agreement in the event of violations by the tenant of any covenant; provided, however, the Association first shall give the Owner notice of such violations and opportunity to terminate such Lease Agreement within ten (10) days of such notice by the Association.

12.22.2 Maximum Number of Tenant Occupants per Home. Each leased Home shall be occupied by tenants, members of the tenant's family, overnight guests and professional caregivers as a residence and for no other purpose. The maximum number of tenant occupants in any Home, including overnight guests and professional caregivers, shall be as follows:

12.22.2.1 In the event the Home contains two (2) bedrooms, no more than four (4) persons shall be permitted.

12.22.2.2 In the event the Home contains three (3) bedrooms, no more than six (6) persons shall be permitted.

12.22.2.3 In the event the Home contains four (4) bedrooms, no more than eight (8) persons shall be permitted.

12.22.3 Right to Use Common Areas. During such time as the Home is leased, the Owner of such Home shall not enjoy the use privileges of the Common Areas appurtenant to such Home.

12.22.4. Security Deposit. Each Owner shall collect from their respective tenant and remit to the Association a security deposit in the amount of Two Hundred and No/100 Dollars (\$200.00), or such other amount as determined by the Board from time to time, to cover expenses related to the

maintenance and repairs of the Home and/or damage caused to the Common Areas by the tenant, members of the tenant's family, or the tenant's guests and invitees. The Association shall be entitled to apply the deposit to any tenant obligations in connection with the Home, Common Area, or otherwise described in this Declaration; provided, that, the tenant does not undertake obligations after notice from the Association. Unless otherwise applied as provided herein, the deposit shall be returned to the Owner upon termination of the lease term after the Association receives notice of such termination. In the event that the Owner does not comply with this Section, the Association may charge the deposit to the Owner as an Individual Assessment. Notwithstanding anything to the contrary herein, the leasing of a Home to a tenant and the collection of the deposit referred to herein from an Owner shall not reduce or abate any Owner's obligations pursuant to this Declaration, or give any Owner the right to avoid any of the covenants, agreements, or obligations to be performed hereunder.

12.23 Minor's Use of Facilities. Parents shall be responsible for all actions of their minor children at all times in and about Lakeside Preserve. Neither Developer nor Association shall be responsible for any use of the facilities by anyone, including minors.

12.24 Nuisances. No nuisance or any use or practice that is the source of unreasonable annoyance to others or which interferes with the peaceful possession and proper use of Lakeside Preserve is permitted. No firearms or fireworks shall be discharged within Lakeside Preserve. Nothing shall be done or kept within the Common Areas, or any other portion of Lakeside Preserve, including a Home or Lot which will increase the rate of insurance to be paid by Association.

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

12.26 Paint. Homes shall be repainted within forty-five (45) days of notice by the ACC.

12.27 Parking. Owners' automobiles shall be parked in the garage or driveway and shall not block the sidewalk. In either case, the automobile's height should not prevent the automobile from entering the garage. All lawn maintenance vehicles shall park on the driveway of the Home and not in the roadway or swale. No vehicle which cannot operate on its own power shall remain on Lakeside Preserve for more than twelve hours, except in the garage of a Home. No repair, except emergency repair, of vehicles shall be made within Lakeside Preserve, except in the garage of a Home. No commercial vehicle, limousines, recreational vehicle, boat, trailer, including, but not limited to, boat trailers, house trailers, and trailers of every other type, kind or description, or camper, may be kept with Lakeside Preserve except in the garage of a Home. Notwithstanding the foregoing, a boat and/or boat trailer may be kept within the fenced yard of a Home so long as the boat and/or boat trailer, when located within the fenced yard, are fully screened from view by such fence. The term commercial vehicle shall not be deemed to include recreational or utility vehicles (i.e. Broncos, Blazers, Explorers, etc.) up to 21'5" in length or clean "non-working" vehicles such as pick-up trucks, vans, or cars if they are used by the Owner on a daily basis for normal transportation. No vehicles used in business for the purpose of transporting goods, equipment and the like, or any trucks or vans which are larger than three-quarter (3/4) ton shall be parked in Lakeside Preserve. Recreational vehicles, personal street vans, personal trucks of three-quarter (3/4) ton capacity or smaller, and personal vehicles that can be appropriately parked within standard size parking stalls may be parked in Lakeside Preserve. No vehicles displaying commercial advertising shall be parked within the public view. No vehicles of any nature shall be parked on any portion of Lakeside

Preserve or a Lot except on the surfaced parking area thereof. No vehicles bearing a "for sale" sign shall be parked within the public view anywhere on the Lakeside Preserve. No vehicle repairs or maintenance shall be allowed in Lakeside Preserve. No vehicles shall be stored on blocks, nor may inoperable vehicles or vehicles with parts removed be stored or parked in Lakeside Preserve, except as may be temporarily required. No tarpaulin covers on vehicles shall be permitted anywhere within the public view. For any Owner who drives an automobile issued by the County or other governmental entity (i.e., police cars), such automobile shall not be deemed to be a commercial vehicle and may be parked in the garage or driveway of the Home. Notwithstanding any other provision in this Declaration to the contrary, the foregoing provisions shall not apply to construction vehicles in connection with the construction, improvement, installation or repair by Developer or Builders of Homes, Common Areas or any other Lakeside Preserve facility.

12.28 Personal Property. All personal property of Owners or other occupants of Homes shall be stored within the Homes. No personal property, except usual patio furniture, may be stored on, nor any use made of, the Common Areas, any Lot or Home, or any other portion of Lakeside Preserve, which is unsightly or which interferes with the comfort and convenience of others.

12.29 Pools. No above-ground pools shall be permitted. All in-ground pools, hot tubs, spas and appurtenances installed shall require the prior written approval of the ACC as set forth in this Declaration. The design must incorporate, at a minimum, the following: (i) the composition of the material must be thoroughly tested and accepted by the industry for such construction; (ii) any swimming pool constructed on any Lot shall have an elevation at the top of the pool of not over two (2) feet above the natural grade unless approved by the ACC; (iii) pool cages must be of a design, color and material approved by the ACC and shall be no higher than the roof line of the Home with the exception of perimeter lots along Red Rooster Road and Fort Hamer Road which shall utilize materials of a dark color such as black or bronze as required by Manatee County. Pool screening shall not extend beyond the sides of the Home without express approval by the ACC. All pools shall be adequately maintained and chlorinated (or cleaned with similar treatment). Unless installed by Developer, no diving boards, slides, or platforms shall be permitted without ACC approval.

12.30 Roofs, Driveways and Pressure Treatment. Roofs and/or exterior surfaces and/or pavement including, but not limited to, walks and drives, shall be pressure treated within thirty (30) days of notice by the ACC. No surface applications to driveways shall be permitted without the prior written approval of the ACC as to material, color and pattern. Such applications shall not extend beyond the front Lot line or include the sidewalk.

12.31 Satellite Dishes and Antennae. No exterior visible antennae, radio masts, towers, poles, aerials, satellite dishes, or other similar equipment shall be placed on any Home or Lot without the prior written approval thereof being first had and obtained from the ACC as required by this Declaration so that the safety and welfare of the Community can be assured. The ACC may require, among other things, that all such improvements be screened so that they are not visible from adjacent Homes, or from the Common Areas. No Owner shall operate any equipment or device which will interfere with the radio or television reception of others. All antennas not covered by the Federal Communications Commission ("FCC") rules are prohibited. Installation, maintenance, and use of all antennas shall comply with restrictions adopted by the Board and shall be governed by the then current rules of the FCC.

12.32 Servants. Servants and domestic help of any Owner may not gather or lounge in or about the Common Areas.

12.33 Setbacks. Homes within Lakeside Preserve shall be subject to setbacks as required by Manatee County as the same may be modified from time to time. At the current time, front setbacks shall be twenty feet (20'); side setbacks shall be seven and one-half feet (7.5'); rear setbacks shall be fifteen feet (15') and waterfront setbacks shall be thirty feet (30'). Additionally, all structures with the exception of pool cages, swimming pools and screen porches shall have a setback of twenty feet (20') from the roadway buffer along Red Rooster Road. All buildings on the perimeter lots along Red Rooster Road and Fort Hamer Road will be restricted to a maximum building height of twenty-two feet (22'). The foregoing restrictions are per Manatee County Land Development Code.

12.34 Signs and Flags. No sign (including brokerage or for sale/lease signs), flag, banner, sculpture, fountain, outdoor play equipment, solar equipment, artificial vegetation, sports equipment, advertisement, notice or other lettering shall be exhibited, displayed, inscribed, painted or affixed in, or upon any part of Lakeside Preserve that is visible from the outside without the prior written approval thereof being first had and obtained from the ACC as required by this Declaration. Owners of Homes must obtain "For Sale" and "For Rent" signs from Association. No in-ground flag poles (except as Developer may use) shall be permitted within Lakeside Preserve, unless written approval of the ACC is obtained. However, any Owner may display one portable, removable United States flag or official flag of the State of Florida in a respectful way; provided, further, on Armed Forces Day, Memorial Day, Flag Day, Independence Day and Veterans' Day, Owners may display an official flag of the United States Army, Navy, Air Force, Marine Corps and Coast Guard. Flags may not exceed 4 1/2 feet by 6 feet and shall be attached to the Home. Except as hereinabove provided, no signs or advertising materials displaying the names or otherwise advertising the identity of contractors, subcontractors, or the like employed in connection with the construction, installation, alteration or other improvement upon shall be permitted. No signs shall be permitted to be displayed on or within vehicles parked or kept within Lakeside Preserve and visible from the outside, including without limitation lettering or display on a vehicle used in a trade or business. Developer and Builders are exempt from this Section 12.33; provided, further, the Developer specifically reserves the right, for itself and its agents, employees, nominees and assigns the right, privilege and easement to construct, place and maintain upon any property within Lakeside Preserve such signs as it deems appropriate in connection with the development, improvement, construction, marketing and sale of any of the Homes.

12.35 Sports Equipment. No recreational, playground or sports equipment shall be installed or placed within or about any portion of Lakeside Preserve without prior written consent of the ACC. No basketball backboards, skateboard ramps, trampolines or play structures will be permitted without written approval by the ACC. Such approved equipment shall be located at the rear of the Home or on the inside portion of corner Homes within the setback lines. Tree houses or platforms of a similar nature shall not be constructed on any part of a Home. No basketball hoops shall be attached to a Home. Portable basketball hoops must be approved by the ACC and shall be located in the rear of the Home. The ACC may adopt written guidelines for the screening of such equipment.

12.36 Storage. No temporary or permanent utility or storage shed, storage building, tent, or other structure or improvement shall be permitted and no other structure or improvement shall be constructed, erected, altered, modified or maintained without the prior approval of the ACC, which approval shall conform to the requirements of this Declaration. Water softeners, trash containers, propane tanks, and other similar devices shall be properly screened from the street in a manner approved by the ACC.

12.37 Subdivision and Regulation of Land. No portion of any Home or Lot shall be divided or subdivided or its boundaries changed without the prior written approval of Association. No Owner shall

inaugurate or implement any variation from, modification to, or amendment of governmental regulations, land use plans, land development regulations, zoning, or any other development orders or development permits applicable to Lakeside Preserve, without the prior written approval of Developer prior to the Turnover Date and Association thereafter which may be granted or deemed in its sole discretion.

12.38 Substances. No flammable, combustible or explosive fuel, fluid, chemical, hazardous waste, or substance shall be kept on any portion of Lakeside Preserve or within any Home or Lot, except those which are required for normal household use.

12.39 Swimming, Boating and Docks. Swimming will not be permitted in any waterbody within Lakeside Preserve. Boating on the lakes and waterbodies within Lakeside Preserve is not permitted. No private docks may be erected within any waterbody forming part of the Common Areas.

12.40 Use of Homes. Each Home is restricted to residential use as a single family residence by the Owner or permitted occupant thereof, its immediate family, guests, tenants and invitees.

12.41 Visibility on Corners. Notwithstanding anything to the contrary in these restrictions, no obstruction to visibility at street intersections shall be permitted and such visibility clearances shall be maintained as required by the ACC and governmental agencies. No vehicles, objects, fences, walls, hedges, shrubs or other planting shall be placed or permitted on a corner Lot where such obstruction would create a traffic problem.

12.42 Wells and Septic Tanks. Except as may be installed by Developer, no individual wells will be permitted on any Lot and no individual septic tanks will be permitted on any Lot.

12.43 Wetlands Areas. Lakeside Preserve may contain preserves, wetlands, and/or mitigation areas. No Owner or other person shall take any action or enter onto such areas so as to adversely affect the same. Such areas are to be maintained in their natural state.

12.44 Windows or Wall Units. No window or wall air conditioning unit may be installed in any window or wall of a Home.

12.45 Window Treatments. Window treatments shall consist of drapery, blinds, decorative panels, or other tasteful window covering, and no newspaper, aluminum foil, sheets or other temporary window treatments are permitted, except for periods not exceeding one (1) week after an Owner or tenant first moves into a Home or when permanent window treatments are being cleaned or repaired. No security bars shall be placed on the windows of any Home without prior written approval of the ACC. No awnings, canopies or shutters shall be affixed to the exterior of a Home without the prior written approval of the ACC. No reflective tinting or mirror finishes on windows shall be permitted unless approved by the ACC. Any window treatments facing the exterior of the Home shall be white, off-white or another neutral color (i.e., wooden shutters in a wood tone).

13. Towing. Subject to applicable laws and ordinances, any vehicle parked in violation of these or other restrictions contained herein or in the rules and regulations may be towed by the Association at the sole expense of the owner of such vehicle if such vehicle remains in violation for a period of twenty-four (24) hours from the time a notice of violation is placed on the vehicle or if such a vehicle was cited for such violation within the preceding fourteen (14) day period. Each Owner by acceptance of title to a Home irrevocably grants the Association and its designated towing service the right to enter a Lot and

tow vehicles in violation of this Declaration. Neither the Association nor the towing company shall be liable to the owner of such vehicle for trespass, conversion or otherwise, nor guilty of any criminal act, by reason of such towing or removal and once the notice is posted, neither its removal, nor failure of the owner to receive it for any other reason, shall be grounds for relief of any kind. For purposes of this paragraph, "vehicle" shall also mean campers, mobile homes, trailers, etc. By accepting title to a Home, the Owner provides to the Association the irrevocable right to tow or remove vehicles parked on the Owner's Lot and Common Area which are in violation of this Declaration. An affidavit of the person posting the foresaid notice stating that it was properly posted shall be conclusive evidence of proper posting. All costs associated with the enforcement of this Section 13 shall be an Individual Assessment upon the Owner.

14. Easement for Unintentional and Non-Negligent Encroachments. If any other building or improvement on a Home shall encroach upon another Home by reason of original construction by Developer, then an easement for such encroachment shall exist so long as the encroachment exists. It is contemplated that each Home shall contain an improvement with exterior walls, footings, and other protrusions which may pass over or underneath an adjacent Home. A perpetual nonexclusive easement is herein granted to allow such protrusions and to permit any natural water run off from roof overhangs, eaves and other protrusions onto an adjacent Home.

15. Requirement to Maintain Insurance.

15.1 Common Areas. Association shall maintain the following insurance coverages:

15.1.1 Flood Insurance. If the Common Areas are located within an area which has special flood hazards and for which flood insurance has been made available under the National Flood Insurance Program ("NFIP"), coverage in appropriate amounts, available under NFIP for all buildings and other insurable property within any portion of the Common Areas located within a designated flood hazard area.

15.1.2 Liability Insurance. Commercial general liability insurance coverage providing coverage and limits deemed appropriate by the Board. Such policies must provide that they may not be canceled or substantially modified by any party, without at least thirty (30) days' prior written notice to Developer (until the Community Completion Date) and Association.

15.1.3 Directors and Officers Liability Insurance. Each member of the Board shall be covered by directors and officers liability insurance in such amounts and with such provisions as approved by the Board.

15.1.4 Other Insurance. Such other insurance coverages as appropriate from time to time. All coverages obtained by Association shall cover all activities of Association and all properties maintained by Association, whether or not Association owns title thereto.

15.1.5 Developer. Prior to the Turnover Date, Developer shall have the right, at Association's expense, to provide insurance coverage under its master insurance policy in lieu of any of the foregoing.

15.2 Homes.

15.2.1 Requirement to Maintain Insurance. Each Owner shall be required to obtain and maintain adequate insurance of his, her or its Home. Such insurance shall be sufficient for necessary repair or reconstruction work, and/or shall cover the costs to demolish a damaged Home as applicable, remove the debris, and to re-sod and landscape land comprising the Home. Upon the request of Association, each Owner shall be required to supply the Board with evidence of insurance coverage on his, her or its Home which complies with the provisions of this Section. Without limiting any other provision of this Declaration or the powers of Association, Association shall specifically have the right to bring an action to require an Owner to comply with his, her or its obligations hereunder.

15.2.2 Requirement to Reconstruct or Demolish. In the event that any Home is destroyed by fire or other casualty, the Owner of such Home shall do one of the following: the Owner shall commence reconstruction and/or repair of the Home ("**Required Repair**"), or Owner shall tear the Home down, remove all the debris, and re-sod and landscape the property comprising the Home as required by the ACC ("**Required Demolition**"). If an Owner elects to perform the Required Repair, such work must be commenced within thirty (30) days of the Owner's receipt of the insurance proceeds respecting such Home. If an Owner elects to perform the Required Demolition, the Required Demolition must be completed within six (6) months from the date of the casualty or such longer period of time established by the Board in its sole and absolute discretion. If an Owner elects to perform the Required Repair, such reconstruction and/or repair must be continued in a continuous, diligent, and timely manner. Association shall have the right to inspect the progress of all reconstruction and/or repair work. Without limiting any other provision of this Declaration or the powers of Association, Association shall have a right to bring an action against an Owner who fails to comply with the foregoing requirements. By way of example, Association may bring an action against an Owner who fails to either perform the Required Repair or Required Demolition on his, her or its Home within the time periods and in the manner provided herein. Each Owner acknowledges that the issuance of a building permit or a demolition permit in no way shall be deemed to satisfy the requirements set forth herein, which are independent of, and in addition to, any requirements for completion of work or progress requirements set forth in applicable statutes, zoning codes, and/or building codes.

15.2.3 Standard of Work. The standard for all demolition, reconstruction, and other work performed as required by this Section shall be in accordance with the Community Standards and any other standards established by Association with respect to any casualty that affects all or a portion of Lakeside Preserve.

15.2.4 Additional Rights of Association. If an Owner refuses or fails, for any reason, to perform the Required Repair or Required Demolition as herein provided, then Association, in its sole and absolute discretion, by and through its Board is hereby irrevocably authorized by such Owner to perform the Required Repair or Required Demolition. Association shall have the absolute right to perform the Required Demolition to a Home pursuant to this Section if any contractor certifies in writing to Association that such Home cannot be rebuilt or repaired. The Board may levy an Individual Assessment against the Owner in whatever amount sufficient to adequately pay for Required Repair or Required Demolition performed by Association.

15.2.5 Association Has No Liability. Notwithstanding anything to the contrary in this Section, Association, its directors and officers, shall not be liable to any Owner should an Owner fail for any reason whatsoever to obtain insurance coverage on a Home. Moreover, Association, its directors and

officers, shall not be liable to any person if Association does not enforce the rights given to Association in this Section.

15.3 Fidelity Bonds. If available, Association may obtain a blanket fidelity bond for all officers, directors, trustees and employees of Association, and all other persons handling or responsible for funds of, or administered by, Association. In the event Association delegates some or all of the responsibility for the handling of the funds to a professional management company or licensed manager, such bonds shall be required for its officers, employees and agents, handling or responsible for funds of, or administered on behalf of Association. The amount of the fidelity bond shall be based upon reasonable business judgment. The fidelity bonds required herein must meet the following requirements (to the extent available at a reasonable premium):

15.3.1 The bonds shall name Association as an obligee.

15.3.2 The bonds shall contain waivers, by the issuers of the bonds, of all defenses based upon the exclusion of persons serving without compensation from the definition of "employee" or similar terms or expressions.

15.3.3 The premiums on the bonds (except for premiums on fidelity bonds maintained by a professional management company, or its officers, employees and agents), shall be paid by Association.

15.3.4 The bonds shall provide that they may not be canceled or substantially modified (including cancellation for non-payment of premium) without at least thirty (30) days' prior written notice to Developer (until the Community Completion Date) and Association.

15.4 Association as Agent. Association is irrevocably appointed agent for each Owner of any interest relating to the Common Areas to adjust all claims arising under insurance policies purchased by Association and to execute and deliver releases upon the payment of claims.

15.5 Casualty to Common Areas. In the event of damage to the Common Areas, or any portion thereof, Association shall be responsible for reconstruction after casualty. In the event of damage to a Lot or Home, or any portion thereof, the Owner shall be responsible for reconstruction after casualty.

15.6 Nature of Reconstruction. Any reconstruction of improvements or homes hereunder shall be substantially in accordance with the plans and specifications of the original improvement, or as the improvement was last constructed, subject to modification to conform with the then current governmental regulation(s).

15.7 Additional Insured. Developer and its Lender(s) shall be named as additional insured on all policies obtained by Association, as their interests may appear.

15.8 Cost of Payment of Premiums. The costs of all insurance maintained by Association hereunder, and any other fees or expenses incurred which may be necessary or incidental to carry out the provisions hereof are Operating Costs.

16. Property Rights.

16.1 Owners' Easement of Enjoyment. Every Owner, and its immediate family, tenants, guests and invitees, and every owner of an interest in Lakeside Preserve shall have a non-exclusive right and easement of enjoyment in and to those portions of the Common Areas which such Owner is entitled to use for their intended purposes, subject to the following provisions:

16.1.1 Easements, restrictions, reservations, conditions, limitations and declarations of record, now or hereafter existing, and the provisions of this Declaration, as amended.

16.1.2 The right of Association to suspend an Owner's rights hereunder or to impose fines in accordance with Chapter 720, Florida Statutes, as amended from time to time.

16.1.3 The right to suspend the right to use all (except vehicular and pedestrian ingress and egress and necessary utilities) or a portion of the Common Areas by an Owner, its immediate family, etc., for any period during which any Assessment against that Owner remains unpaid.

16.1.4 The right of Developer and/or Association to dedicate or transfer all or any part of the Common Areas. No such dedication or transfer shall be effective prior to the Community Completion Date without prior written consent of Developer.

16.1.5 The right of Developer and/or Association to modify the Common Areas as set forth in this Declaration.

16.1.6 The perpetual right of Developer to access and enter the Common Areas at any time, even after the Community Completion Date, for the purposes of inspection and testing of the Common Areas. Association and each Owner shall give Developer unfettered access, ingress and egress to the Common Areas so that Developer and/or its agents can perform all tests and inspections deemed necessary by Developer. Developer shall have the right to make all repairs and replacements deemed necessary by Developer. At no time shall Association and/or an Owner prevent, prohibit and/or interfere with any testing, repair or replacement deemed necessary by Developer relative to any portion of the Common Areas.

16.1.7 The rights of Developer and/or Association regarding Lakeside Preserve as reserved in this Declaration including, without limitation, the right to utilize the same and to grant use rights, etc. to others.

16.1.8 Rules and Regulations adopted governing use and enjoyment of the Common Areas.

16.1.9 An Owner relinquishes use of the Common Areas at any time that a Home is leased to a Tenant.

16.2 Ingress and Egress. An easement for ingress and egress is hereby created for pedestrian traffic over, and through and across sidewalks, paths, walks, driveways, passageways, and lanes as the same, from time to time, may exist upon, or be designed as part of, the Common Areas, and for vehicular traffic over, through and across such portions of the Common Areas as, from time to time, may be paved and intended for such purposes.

16.3 Development Easement. In addition to the rights reserved elsewhere herein, Developer reserves an easement for itself or its nominees over, upon, across, and under Lakeside Preserve as may be required in connection with the development of Lakeside Preserve and other lands designated by Developer and to promote or otherwise facilitate the development, construction and sale and/or leasing of Lots and Homes and other lands designated by Developer. Without limiting the foregoing, Developer specifically reserves the right to use all paved roads and rights of way within Lakeside Preserve for vehicular and pedestrian ingress and egress to and from construction sites and for the construction and maintenance of any Telecommunications System provided by Developer. Specifically, each Owner acknowledges that construction vehicles and trucks may use portions of the Common Areas. Developer shall have no liability or obligation to repave, restore, or repair any portion of the Common Areas as a result of the use of the same by construction traffic, and all maintenance and repair of such Common Areas shall be deemed ordinary maintenance of Association payable by all Owners as part of Operating Costs. Without limiting the foregoing, at no time shall Developer be obligated to pay any amount to Association on account of Developer's or a Builder's use of the Common Areas for construction purposes. Developer intends to use the Common Areas for sales of new and used Homes. Further, Developer may market other residences and commercial properties located outside of Lakeside Preserve from Developer's sales facilities located within Lakeside Preserve. Developer has the right to use all portions of the Common Areas in connection with its marketing activities, including, without limitation, allowing members of the general public to inspect model Homes, installing signs and displays, holding promotional parties and picnics, and using the Common Areas for every other type of promotional or sales activity that may be employed in the marketing of new and used residential Homes or the leasing of residential apartments. The easements created by this Section, and the rights reserved herein in favor of Developer, shall be construed as broadly as possible and supplement the rights of Developer set forth in Section 21 of this Declaration. At no time shall Developer incur any expense whatsoever in connection with its use and enjoyment of such rights and easements. Developer may non-exclusively assign its rights hereunder to each Builder.

16.4 Public Easements. Fire, police, school transportation, health, sanitation and other public service and utility company personnel and vehicles shall have a permanent and perpetual easement for ingress and egress over and across the Common Areas. In addition, Telecommunications Providers shall also have the right to use all paved roadways for ingress and egress to and from Telecommunications Systems within Lakeside Preserve.

16.5 Delegation of Use. Every Owner shall be deemed to have delegated its right of enjoyment to the Common Areas to occupants or lessees of that Owner's Home subject to the provisions of this Declaration and the Rules and Regulations, as may be promulgated, from time to time. Any such delegation or lease shall not relieve any Owner from its responsibilities and obligations provided herein.

16.6 Easement for Encroachments. In the event that any improvement upon Common Areas, as originally constructed, shall encroach upon any other property or improvements thereon, or for any reason, then an easement appurtenant to the encroachment shall exist for so long as the encroachment shall exist.

16.7 Permits, Licenses and Easements. Prior to the Community Completion Date, Developer, and thereafter Association, shall, in addition to the specific rights reserved to Developer herein, have the right to grant, modify, amend and terminate permits, licenses and easements over, upon, across, under and through Lakeside Preserve (including Lots and/or Homes) for Telecommunications Systems, utilities, roads and other purposes reasonably necessary or useful as it determines, in its sole discretion. To the

extent legally required, each Owner shall be deemed to have granted to Developer and, thereafter, Association an irrevocable power of attorney, coupled with an interest, for the purposes herein expressed.

16.8 Support Easement and Maintenance Easement. An easement is hereby created for the existence and maintenance of supporting structures (and the replacement thereof) in favor of the entity required to maintain the same. An easement is hereby created for maintenance purposes (including access to perform such maintenance) over and across Lakeside Preserve (including Lots and Homes) for the reasonable and necessary maintenance of Common Areas, utilities, cables, wires and other similar facilities.

16.9 Drainage. A non-exclusive easement shall exist in favor of Developer, Association, and their designees, and any applicable water management district, state agency, county agency and/or federal agency having jurisdiction over Lakeside Preserve over, across and upon Lakeside Preserve for drainage, irrigation and water management purposes. A non-exclusive easement/ingress and egress exists as shown on the Plat for such parties in order to construct, maintain, inspect, record data on, monitor, test, or repair, as necessary, any water management areas, conservation areas, mitigation areas, irrigation systems and facilities thereon and appurtenances thereto. No structure, landscaping, or other material shall be placed or be permitted to remain which may damage or interfere with the drainage or irrigation of Lakeside Preserve and/or installation or maintenance of utilities or which may obstruct or retard the flow of water through Lakeside Preserve and/or water management areas and facilities or otherwise interfere with any drainage, irrigation and/or easement provided for in this Section or the use rights set forth elsewhere in this Declaration.

16.10 Blanket Easement in favor of Association. Association is hereby granted an easement over all of Lakeside Preserve, including all Homes and Lots, for the purposes of (a) constructing, maintaining, replacing and operating all Common Areas and including, but not limited to, lakes, perimeter walls and fences and (b) performing any obligation of an Owner for which Association intends to impose an Individual Assessment.

16.11 Duration. All easements created herein or pursuant to the provisions hereof shall be perpetual unless stated to the contrary.

17. Assessments.

17.1 Types of Assessments. Each Owner and Builder, by acceptance of a deed or instrument of conveyance for the acquisition of title in any manner (whether or not so expressed in the deed), including any purchaser at a judicial sale, shall hereafter be deemed to have covenanted and agreed to pay to Association at the time and in the manner required by the Board, assessments or charges and any special assessments as are fixed, established and collected from time to time by Association (collectively, the "**Assessments**"). All Owners and Builders shall pay Assessments. Each Builder shall pay such portion of Operating Costs which benefits any Lot owned by such Builder, as determined by Developer, in Developer's sole discretion. By way of example, and not of limitation, Developer may require that each Builder pay some portion of Assessments on a Lot owned by a Builder which does not contain a Home. As vacant Lots owned by Builders may not receive certain services (e.g., Telecommunications Services), Builders shall not be required to pay for the same.

17.2 Purpose of Assessments. The Assessments levied by Association shall be used for, among other things, the purpose of promoting the recreation, health, safety and welfare of the residents of Lakeside Preserve, and in particular for the improvement and maintenance of the Common Areas and any easement in favor of Association, including but not limited to the following categories of Assessments as and when levied and deemed payable by the Board:

17.2.1 Any quarterly assessment or charge for the purpose of operating Association and accomplishing any and all of its purposes, as determined in accordance herewith, including, without limitation, payment of Operating Costs and collection of amounts necessary to pay any deficits from prior years' operation (hereinafter "Quarterly Assessments");

17.2.2 Any special assessments for capital improvements, major repairs, emergencies and the repair or replacement of the Surface Water Management System, or nonrecurring expenses (hereinafter "Special Assessments");

17.2.3 Any specific fees, dues or charges to be paid by Owners for any special services provided to or for the benefit of an Owner or Home, for any special or personal use of the Common Areas, or to reimburse Association for the expenses incurred in connection with that service or use (hereinafter "Use Fees"); and

17.2.4 Assessments of any kind for the creation of reasonable reserves for any of the aforesaid purposes. At such time as there are improvements in any Common Areas for which Association has a responsibility to maintain, repair, and replace, the Board may, but shall have no obligation to, include a "Reserve for Replacement" in the Quarterly Assessments in order to establish and maintain an adequate reserve fund for the periodic maintenance, repair and replacement of improvements comprising a portion of the Common Area (hereinafter "Reserves"). Assessments pursuant to this Section shall be payable in such manner and at such times as determined by Association, and may be payable in installments extending beyond the fiscal year in which the Reserves are disapproved. Until the Community Completion Date, Reserves shall be subject to the prior written approval of Developer, which may be withheld for any reason.

17.2.5 Assessments for which one or more Owners (but less than all Owners) within Lakeside Preserve is subject ("Individual Assessments") such as costs of special services provided to a Home or Owner or cost relating to enforcement of the provisions of this Declaration or the architectural provisions hereof as it relates to a particular Owner or Home. By way of example, and not of limitation, all of the Owners within a Plat may be subject to Individual Assessments for maintenance, repair and/or replacement of facilities serving only the residents of such Plat. Further, in the event an Owner fails to maintain the exterior of his Home (other than those portions of a Home maintained by Association, if any) in a manner satisfactory to Association, Association shall have the right, through its agents and employees, to enter upon the Home and to repair, restore, and maintain the Home as required by this Declaration. The cost thereof, plus the reasonable administrative expenses of Association, shall be an Individual Assessment. As a further example, if one or more Owners receive optional Telecommunications Services such as Toll Calls, Cable Services and/or Data Transmissions Services, and Association pays a Telecommunications Provider for such services, then the cost of such services shall be an Individual Assessment as to each Owner receiving such services. Further, in the event that Association decides it is in the best interest of Lakeside Preserve that Association perform any obligation of an Owner under this Declaration the cost of performing such obligation shall be an Individual Assessment. The lien for an Individual Assessment may be foreclosed in the same manner as any other Assessment.

17.3 Designation. The designation of Assessment type shall be made by Association. Prior to the Community Completion Date, any such designation must be approved by Developer. Such designation may be made on the budget prepared by Association. The designation shall be binding upon all Owners.

17.4 Allocation of Operating Costs.

17.4.1 For the period until the adoption of the first annual budget, the allocation of Operating Costs shall be as set forth in the initial budget prepared by Developer.

17.4.2 Commencing on the first day of the period covered by the annual budget, and until the adoption of the next annual budget, the Quarterly Assessments shall be allocated so that each Owner shall pay his pro rata portion of Quarterly Assessments, Special Assessments, and Reserves based upon a fraction, the numerator of which is one (1) and the denominator of which is the total number of Homes in Lakeside Preserve conveyed to Owners or any greater number determined by Developer from time to time. Developer, in its sole and absolute discretion may change such denominator from time to time. Under no circumstances will the denominator be less than the number of Homes owned by Owners other than Developer.

17.4.3 In the event the Operating Costs as estimated in the budget for a particular fiscal year are, after the actual Operating Costs for that period is known, less than the actual costs, then the difference shall, at the election of Association: (i) be added to the calculation of Quarterly Assessments for the next ensuing fiscal year; or (ii) be immediately collected from the Owners as a Special Assessment. Board shall have the unequivocal right to specially assess Owners retroactively on January 1st of any year for any shortfall in Quarterly Assessments, which Special Assessment shall relate back to the date that the Quarterly Assessments could have been made. No vote of the Owners shall be required for such Special Assessment (or for any other Assessment) except to the extent specifically provided herein.

17.4.4 Each Owner agrees that so long as it does not pay more than the required amount it shall have no grounds upon which to object to either the method of payment or non-payment by other Owners of any sums due.

17.5 General Assessments Allocation. Except as hereinafter specified to the contrary, Quarterly Assessments, Special Assessments and Reserves shall be allocated equally to each Owner. Notwithstanding the foregoing, the Board may decide to assess Owners at different rates based on the size of the Home or other factors as may be determined by the Board from time to time. By way of example and not of limitation, if Association provides lawn maintenance, the Board may elect annually to charge each Home equal Assessments for such lawn service, or base such Assessments on the size of the Lot upon which the Home lies, base it on the size of the Home, or allocate such Assessments on any other reasonable basis adopted by the Board. The formula to determine the amount of Assessments shall be set forth in an amendment to this Declaration recorded in the Public Records and adopted by the Board at a Board meeting.

17.6 Use Fees and Individual Assessment. Except as hereinafter specified to the contrary, Use Fees and Individual Assessments shall be made against the Owners benefiting from, or subject to the special service or cost as specified by Association.

17.7 Commencement of First Assessment. Assessments shall commence as to each Owner on day of issuance of a Certificate of Occupancy by Manatee County.

17.8 Shortfalls and Surpluses. Each Owner acknowledges that because Quarterly Assessments, Special Assessments, and Reserves are allocated based on the formula provided herein, or upon the number of Homes conveyed to Owners on or prior to September 30 of the prior fiscal year, it is possible that Association may collect more or less than the amount budgeted for Operating Costs. Prior to the Turnover Date, Developer shall have the option to (i) fund all or any portion of the shortfall in Quarterly Assessments not raised by virtue of income receivable by Association or (ii) to pay Quarterly Assessments on Homes or Lots owned by Developer. Developer shall never be required to (i) pay Quarterly Assessments unless Developer has elected not to fund the deficit instead of paying Quarterly Assessments on Homes or Lots owned by Developer, or (ii) pay Special Assessments, management fees or Reserves. Any surplus Assessments collected by Association may be allocated towards the next year's Operating Costs or, in Association's sole and absolute discretion, to the creation of Reserves, whether or not budgeted. Under no circumstances shall Association be required to pay surplus Assessments to Owners.

17.9 Budgets. The initial budget prepared by Developer is adopted as the budget for the period of operation until adoption of the first annual Association Budget. To the extent Association has commenced or will commence operations prior to the date this Declaration is recorded or the first Home is closed, the Operating Costs may vary in one or more respects from that set forth in the initial Budget. A Builder shall pay Assessments as per the Builder Budget for each Lot owned by such Builder commencing from the date the Builder obtained title to such Lot. Developer shall fund entirely all Operating Costs not covered by Builders' Assessments until the month prior to the closing of the first Home. Thereafter, Assessments shall be payable by each Owner and Builder as provided in this Declaration. Thereafter, annual budgets shall be prepared and adopted by Association. THE INITIAL BUDGET OF ASSOCIATION IS PROJECTED (NOT BASED ON HISTORICAL OPERATING FIGURES). THEREFORE, IT IS POSSIBLE THAT ACTUAL ASSESSMENTS MAY BE LESSER OR GREATER THAN PROJECTED.

17.10 Establishment of Assessments. Assessments shall be established in accordance with the following procedures:

17.10.1 Quarterly Assessments shall be established by the adoption of a twelve (12) month operating budget by the Board. The budget shall be in the form required by Section 720.303(6) of the Florida Statutes, as amended from time to time. Written notice of the amount and date of commencement thereof shall be given to each Owner not less than ten (10) days in advance of the due date of the first installment thereof. Notwithstanding the foregoing, the budget may cover a period of less than twelve (12) months if the first budget is adopted mid-year or in order to change the fiscal year of Association. The Board may, from time to time, determine how the Assessments will be collected by Association (*i.e.*, monthly, quarterly, or annually).

17.10.2 Special Assessments and Individual Assessments against the Owners may be established by Association, from time to time, and shall be payable at such time or time(s) as determined. Until the Community Completion Date, no Special Assessment shall be imposed without the consent of Developer.

17.10.3 Association may establish, from time to time, by resolution, rule or regulation, or by delegation to an officer or agent, including, a professional management company, Use Fees. The sums established shall be payable by the Owner utilizing the service or facility as determined by Association.

17.11 Initial Capital Contribution. The first purchaser of each Home or Lot, at the time of closing of the conveyance from the Developer to the purchaser, shall pay to the Developer an initial capital contribution ("**Initial Capital Contribution**") in the amount of three hundred dollars (\$300.00). The funds derived from the Initial Capital Contributions shall be used at the discretion of the Developer for any purpose, including but not limited to, future and existing capital improvements, operating expenses, support costs and start-up costs. Developer may waive this requirement for some Lots and Homes, if the first purchaser is a Builder, and the Builder becomes unconditionally obligated to collect and pay the Initial Capital Contribution upon the subsequent sale of each Lot and Home to an end purchaser.

17.12 Resale Capital Contribution. Association may establish a resale capital contribution ("**Resale Capital Contribution**"). There shall be collected upon every conveyance of an ownership interest in a Home by an Owner other than Developer or Builders an amount payable to Association. The Resale Capital Contribution shall not be applicable to conveyances from Developer or a Builder. After the Home has been conveyed by Developer or a Builder there shall be a recurring assessment payable to Association upon all succeeding conveyances of a Home. The amount of the Resale Capital Contribution shall be one hundred fifty dollars (\$150.00) or as may be determined by resolution of the Board from time to time; provided, however, all Homes shall be assessed a uniform amount.

17.13 Assessment Estoppel Certificates. No Owner shall sell or convey its interest in a Home unless all sums due Association have been paid in full and an estoppel certificate shall have been received by such Owner. Association shall prepare and maintain a ledger noting Assessments due from each Owner. The ledger shall be kept in the office of Association, or its designees, and shall be open to inspection by any Owner. Within ten (10) days of a written request therefor, there shall be furnished to an Owner an estoppel certificate in writing setting forth whether the assessments have been paid and/or the amount which is due as of any date. As to parties other than Owners who, without knowledge of error, rely on the certificate, the certificate shall be conclusive evidence of the amount of any Assessment therein stated. The Owner requesting the estoppel certificate shall be required to pay Association a reasonable sum to cover the costs of examining records and preparing such estoppel certificate. Each Owner waives its rights (if any) to an accounting related to Operating Costs or Assessments.

17.14 Payment of Home Real Estate Taxes. Each Owner shall pay all taxes and obligations relating to its Home which, if not paid, could become a lien against the Home which is superior to the lien for Assessments created by this Declaration.

17.15 Creation of the Lien and Personal Obligation. Each Owner, by acceptance of a deed or instrument of conveyance for the acquisition of title to a Home, shall be deemed to have covenanted and agreed that the Assessments, and/or other charges and fees set forth herein, together with interest, late fees, costs and reasonable attorneys' fees and paraprofessional fees at all levels of proceedings including appeals, collections and bankruptcy, shall be a charge and continuing lien in favor of Association encumbering the Home and all personal property located thereon owned by the Owner against whom each such Assessment is made. The lien is effective from and after recording a Claim of Lien in the Public Records stating the legal description of the Home, name of the Owner, and the amounts due as of that date, but shall relate back to the date that this Declaration is recorded. The Claim of Lien shall also cover any additional amounts which accrue thereafter until satisfied. Each Assessment, together with interest,

late fees, costs and reasonable attorneys' fees and paraprofessional fees at all levels including appeals, collections and bankruptcy, and other costs and expenses provided for herein, shall be the personal obligation of the person who was the Owner of the Home at the time when the Assessment became due, as well as the Owner's heirs, devisees, personal representatives, successors or assigns.

17.16 Subordination of the Lien to Mortgages. The lien for Assessments shall be subordinate to a bona fide first mortgage held by a Lender on any Home if the mortgage is recorded in the Public Records prior to the Claim of Lien. The lien for Assessments shall not be affected by any sale or transfer of a Home, except in the event of a sale or transfer of a Home pursuant to a foreclosure (or by deed in lieu of foreclosure or otherwise) of a bona fide first mortgage held by a Lender, in which event, the acquirer of title, its successors and assigns, shall not be liable for such sums secured by a lien for Assessments encumbering the Home or chargeable to the former Owner of the Home, which became due prior to such sale or transfer. However, any such unpaid Assessments for which such acquirer of title is not liable may be reallocated and assessed to all Owners (including such acquirer of title) as a part of Operating Costs included within Quarterly Assessments. Any sale or transfer pursuant to a foreclosure (or by deed in lieu of foreclosure or otherwise) shall not relieve the Owner from liability for, nor the Home from the lien of any Assessments made thereafter. Nothing herein contained shall be construed as releasing the party liable for any delinquent Assessments from the payment thereof, or the enforcement of collection by means other than foreclosure. A Lender shall give written notice to Association if the mortgage held by such Lender is in default. Association shall have the right, but not the obligation, to cure such default within the time periods applicable to Owner. In the event Association makes such payment on behalf of an Owner, Association shall, in addition to all other rights reserved herein, be subrogated to all of the rights of the Lender. All amounts advanced on behalf of an Owner pursuant to this Section shall be added to Association payable by such Owner with appropriate interest.

17.17 Acceleration. In the event of a default in the payment of any Assessment, Association may accelerate the Assessments then due for up to the next ensuing twelve (12) month period.

17.18 Non-Payment of Assessments. If any Assessment is not paid within fifteen (15) days (or such other period of time established by the Board) after the due date, a late fee of \$25.00 per month (or such greater amount established by the Board), together with interest in an amount equal to the maximum rate allowable by law (or such lesser rate established by the Board), per annum, beginning from the due date until paid in full, may be levied. The late fee shall compensate Association for administrative costs, loss of use of money, and accounting expenses. Association may, at any time thereafter, bring an action at law against the Owner personally obligated to pay the same, and/or foreclose the lien against the Home, or both. Association shall not be required to bring such an action if it believes that the best interests of Association would not be served by doing so. There shall be added to the Assessment all costs expended in preserving the priority of the lien and all costs and expenses of collection, including attorneys' fees and paraprofessional fees, at all levels of proceedings, including appeals, collection and bankruptcy. No Owner may waive or otherwise escape liability for Assessments provided for herein by non-use of, or the waiver of the right to use the Common Areas or by abandonment of a Home. All payments on accounts shall be first applied to interest accrued by Association, then to any administrative late fee, then to costs and attorneys' fees, and then to the delinquent assessment payment first due. The allocation of payment described in the previous sentence shall apply notwithstanding any restrictive endorsement, designation, or instruction placed on or accompanying a payment.

17.19 Exemption. Notwithstanding anything to the contrary herein, neither Developer nor any Home or property owned by Developer shall (unless specified to the contrary by Developer in a separate

written instrument) be responsible for any Assessments of any nature or any portion of the Operating Costs. Developer, at Developer's sole option, may pay Assessments on Homes owned by it, or fund the deficit, if any, as set forth in Section 17.8 herein. In addition, the Board shall have the right to exempt any portion of Lakeside Preserve subject to this Declaration from the Assessments, provided that such part of Lakeside Preserve exempted is used (and as long as it is used) for any of the following purposes:

17.19.1 Any easement or other interest therein dedicated and accepted by the local public authority and devoted to public use;

17.19.2 Common Areas or property (other than a Home);

17.19.3 Any of Lakeside Preserve exempted from *ad valorem* taxation by the laws of the State of Florida or exempted from Assessments by other provisions of this Declaration;

17.19.4 Any easement or other interest dedicated or conveyed to not for profit corporations for the use and benefit of residents in the Development of Regional Impact of which Lakeside Preserve may be a part.

17.20 Collection by Developer. If for any reason Association shall fail or be unable to levy or collect Assessments, then in that event, Developer shall at all times have the right, but not the obligation: (i) to advance such sums as a loan to Association to bear interest and to be repaid as hereinafter set forth; and/or (ii) to levy and collect such Assessments by using the remedies available as set forth above, which remedies; including, but not limited to, recovery of attorneys' fees and paraprofessional fees at all levels including appeals, collections and bankruptcy, shall be deemed assigned to Developer for such purposes. If Developer advances sums, it shall be entitled to immediate reimbursement, on demand, from Association for such amounts so paid, plus interest thereon at the Wall Street Journal Prime Rate plus two percent (2%), plus any costs of collection including, but not limited to, reasonable attorneys' fees and paraprofessional fees at all levels including appeals, collections and bankruptcy.

17.21 Rights to Pay Assessments and Receive Reimbursement. Association, Developer and any Lender of a Home shall have the right, but not the obligation, jointly and severally, and at their sole option, to pay any Assessments or other charges which are in default and which may or have become a lien or charge against any Home. If so paid, the party paying the same shall be subrogated to the enforcement rights of Association with regard to the amounts due.

17.22 Mortgagee Right. Each Lender may request in writing that Association notify such Lender of any default of the Owner of the Home subject to the Lender's Mortgage under Association Documents which default is not cured within thirty (30) days after Association learns of such default. A failure by Association to furnish notice to any Lender shall not result in liability of Association because such notice is given as a courtesy to a Lender and the furnishing of such notice is not an obligation of Association to Lender.

18. Information to Lenders and Owners.

18.1 Availability. There shall be available for inspections upon request, during normal business hours or under other reasonable circumstances, to Owners and Lenders current copies of Association Documents.

18.2 Copying. Any Owner and/or Lender shall be entitled, upon written request, and at its cost, to a copy of the documents referred to above.

18.3 Notice. Upon written request by a Lender (identifying the name and address of the Lender and the name and address of the applicable Owner), the Lender will be entitled to timely written notice of:

18.3.1 Any condemnation loss or casualty loss which affects a material portion of a Home to the extent Association is notified of the same;

18.3.2 Any delinquency in the payment of Assessments owed by an Owner of a Home subject to a first mortgage held by the Lender, which remains uncured for a period of sixty (60) days;

18.3.3 Any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained hereunder;

18.3.4 Any proposed action (if any) which would require the consent of a specific mortgage holder. Any Lender who receives a written request from the Board to respond to or consent to any action shall be deemed to have approved such action if Association does not receive a written response from the Lender within thirty (30) days of the date of mailing of Association's request. Provided, however, that no Lender shall be required to collect any delinquent Assessments charged against a particular Lot or Home.

19. Architectural Control.

19.1 Architectural Control Committee. The ACC shall be a permanent committee of Association and shall administer and perform the architectural and landscape review and control functions relating to Lakeside Preserve. The ACC shall consist of a minimum of three (3) members who shall initially be named by Developer and who shall hold office at the pleasure of Developer. Until the Community Completion Date, Developer shall have the right to change the number of members on the ACC, and to appoint, remove, and replace all members of the ACC. Developer shall determine which members of the ACC shall serve as its chairman and co-chairman. In the event of the failure, refusal, or inability to act of any of the members appointed by Developer, Developer shall have the right to replace any member within thirty (30) days of such occurrence. If Developer fails to replace that member, the remaining members of the ACC shall fill the vacancy by appointment. From and after the Community Completion Date, the Board shall have the same rights as Developer with respect to the ACC.

19.2 Membership. There is no requirement that any member of the ACC be an Owner or a member of Association.

19.3 General Plan. It is the intent of this Declaration to create a general plan and scheme of development of Lakeside Preserve. Accordingly, the ACC shall have the right to approve or disapprove all architectural, landscaping, and improvements within Lakeside Preserve by Owners other than Developer. The ACC shall have the right to evaluate all plans and specifications as to harmony of exterior design, landscaping, location of any proposed improvements, relationship to surrounding structures, topography and conformity with such other reasonable requirements as shall be adopted by ACC. The ACC may impose standards for construction and development which may be greater or more stringent than standards prescribed in applicable building, zoning, or other local governmental codes.

Prior to the Community Completion Date, any additional standards or modification of existing standards shall require the consent of Developer, which may be granted or denied in its sole discretion.

19.4 Master Plan. Developer has established an overall Master Plan. However, notwithstanding the above, or any other document, brochures or plans, Developer reserves the right to modify the Master Plan or any site plan at any time as it deems desirable in its sole discretion and in accordance with applicable laws and ordinances. WITHOUT LIMITING THE FOREGOING, DEVELOPER AND/OR BUILDERS MAY PRESENT TO THE PUBLIC OR TO OWNERS RENDERINGS, PLANS, MODELS, GRAPHICS, TOPOGRAPHICAL TABLES, SALES BROCHURES, OR OTHER PAPERS RESPECTING LAKESIDE PRESERVE. SUCH RENDERINGS, PLANS, MODELS, GRAPHICS, TOPOGRAPHICAL TABLES, SALES BROCHURES, OR OTHER PAPERS ARE NOT A GUARANTEE OF HOW LAKESIDE PRESERVE WILL APPEAR UPON COMPLETION AND DEVELOPER RESERVES THE RIGHT TO CHANGE ANY AND ALL OF THE FOREGOING AT ANY TIME AS DEVELOPER DEEMS NECESSARY IN ITS SOLE AND ABSOLUTE DISCRETION.

19.5 Community Standards. Each Owner and its contractors and employees shall observe, and comply with, the Community Standards which now or may hereafter be promulgated by the ACC and approved by the Board from time to time. The Community Standards shall be effective from the date of adoption; shall be specifically enforceable by injunction or otherwise; and shall have the effect of covenants as if set forth herein verbatim. The Community Standards shall not require any Owner to alter the improvements previously constructed. Until the Community Completion Date, Developer shall have the right to approve the Community Standards, which approval, may be granted in its sole discretion.

19.6 Quorum. A majority of the ACC shall constitute a quorum to transact business at any meeting. The action of a majority present at a meeting at which a quorum is present shall constitute the action of the ACC. In lieu of a meeting, the ACC may act in writing.

19.7 Power and Duties of the ACC. No improvements shall be constructed on a Lot, no exterior of a Home shall be repainted, no landscaping, sign, or improvements erected, removed, planted, or maintained on any portion of Lakeside Preserve, nor shall any material addition to or any change, replacement, or alteration of the improvements as originally constructed by Developer (visible from the exterior of the Home) be made until the plans and specifications showing the nature, kind, shape, height, materials, floor plans, color scheme, and the location of same shall have been submitted to and approved in writing by the ACC.

19.8 Procedure. In order to obtain the approval of the ACC, each Owner shall observe the following:

19.8.1 Each applicant shall submit an application to the ACC with respect to any proposed improvement or material change in an improvement, together with the required application(s) and other fee(s) as established by the ACC. The applications shall include such information as may be required by the application form adopted by the ACC. The ACC may also require submission of samples of building materials and colors proposed to be used. At the time of such submissions, the applicant shall, if requested, submit to the ACC, such site plans, plans and specifications for the proposed improvement, prepared and stamped by a registered Florida architect or residential designer, and landscaping and irrigation plans, prepared by a registered landscape architect or designer showing all existing trees and major vegetation stands and surface water drainage plan showing existing and proposed design grades,

contours relating to the predetermined ground floor finish elevation, pool plans and specifications and the times scheduled for completion, all as reasonably specified by the ACC.

19.8.2 In the event the information submitted to the ACC is, in the ACC's opinion, incomplete or insufficient in any manner, the ACC may request and require the submission of additional or supplemental information. The Owner shall, within fifteen (15) days thereafter, comply with the request.

19.8.3 No later than thirty (30) days after receipt of all information required by the ACC for final review, the ACC shall approve or deny the application in writing. The ACC shall have the right to refuse to approve any plans and specifications which are not suitable or desirable, in the ACC's sole discretion, for aesthetic or any other reasons or to impose qualifications and conditions thereon. In approving or disapproving such plans and specifications, the ACC shall consider the suitability of the proposed improvements, the materials of which the improvements are to be built, the site upon which the improvements are proposed to be erected, the harmony thereof with the surrounding area and the effect thereof on adjacent or neighboring property. In the event the ACC fails to respond within said thirty (30) day period, the plans and specifications shall be deemed **disapproved** by the ACC.

19.8.4 Construction of all improvements shall be completed within the time period set forth in the application and approved by the ACC.

19.8.5 In the event that the ACC disapproves any plans and specifications, the applicant may request a rehearing by the ACC for additional review of the disapproved plans and specifications. The meeting shall take place no later than thirty (30) days after written request for such meeting is received by the ACC, unless applicant waives this time requirement in writing. The ACC shall make a final written decision no later than thirty (30) days after such meeting. In the event the ACC fails to provide such written decision within said thirty (30) days, the plans and specifications shall be deemed **disapproved**.

19.8.6 Upon final disapproval (even if the members of the Board and ACC are the same), the applicant may appeal the decision of the ACC to the Board within thirty (30) days of the ACC's written review and disapproval. Review by the Board shall take place no later than thirty (30) days subsequent to the receipt by the Board of the Owner's request therefor. If the Board fails to hold such a meeting within thirty (30) days after receipt of request for such meeting, then the plans and specifications shall be deemed approved. The Board shall make a final decision no later than sixty (60) days after such meeting. In the event the Board fails to provide such written decision within said sixty (60) days after such meeting, such plans and specifications shall be deemed **approved**. The decision of the ACC, or if appealed, the Board, shall be final and binding upon the applicant, its heirs, legal representatives, successors and assigns.

19.9 Alterations. Any and all alterations, deletions, additions and changes of any type or nature whatsoever to then existing improvements or the plans or specifications previously approved by the ACC shall be subject to the approval of the ACC in the same manner as required for approval of original plans and specifications.

19.10 Variances. Association or ACC shall have the power to grant variances from any requirements set forth in this Declaration or from the Community Standards, on a case by case basis, provided that the variance sought is reasonable and results from a hardship upon the applicant. The

granting of a variance shall not nullify or otherwise affect the right to require strict compliance with the requirements set forth herein or in the Community Standards on any other occasion.

19.11 Permits. The Owner is solely responsible to obtain all required building and other permits from all governmental authorities having jurisdiction.

19.12 Construction by Owners. The following provisions govern construction activities by Owners after consent of the ACC has been obtained:

19.12.1 Each Owner shall deliver to the ACC, if requested, copies of all construction and building permits as and when received by the Owner. Each construction site in Lakeside Preserve shall be maintained in a neat and orderly condition throughout construction. Construction activities shall be performed on a diligent, workmanlike and continuous basis. Roadways, easements, swales, Common Areas and other such areas in Lakeside Preserve shall be kept clear of construction vehicles, construction materials and debris at all times. No construction office or trailer shall be kept in Lakeside Preserve and no construction materials shall be stored in Lakeside Preserve subject, however, to such conditions and requirements as may be promulgated by the ACC. All refuse and debris shall be removed or deposited in a dumpster on a daily basis. No materials shall be deposited or permitted to be deposited in any canal or waterway or Common Areas or other Homes in Lakeside Preserve or be placed anywhere outside of the Home upon which the construction is taking place. No hazardous waste or toxic materials shall be stored, handled and used, including, without limitation, gasoline and petroleum products, except in compliance with all applicable federal, state and local statutes, regulations and ordinances, and shall not be deposited in any manner on, in or within the construction or adjacent property or waterways. All construction activities shall comply with the Community Standards. If a contractor or Owner shall fail in any regard to comply with the requirements of this Section, the ACC may require that such Owner or contractor post security with Association in such form and amount deemed appropriate by the ACC in its sole discretion.

19.12.2 There shall be provided to the ACC, if requested, a list (name, address, telephone number and identity of contact person), of all contractors, subcontractors, materialmen and suppliers (collectively, "Contractors") and changes to the list as they occur relating to construction. Each builder and all of its employees and Contractors and their employees shall utilize those roadways and entrances into Lakeside Preserve as are designated by the ACC for construction activities. The ACC shall have the right to require that each builder's and Contractor's employees check in at the designated construction entrances and to refuse entrance to persons and parties whose names are not registered with the ACC.

19.12.3 Each Owner is responsible for insuring compliance with all terms and conditions of these provisions and of the Community Standards by all of its employees and Contractors. In the event of any violation of any such terms or conditions by any employee or contractor, or, in the opinion of the ACC, the continued refusal of any employee or contractor to comply with such terms and conditions, after five (5) days' notice and right to cure, the ACC shall have, in addition to the other rights hereunder, the right to prohibit the violating employee or contractor from performing any further services in Lakeside Preserve.

19.12.4 The ACC may, from time to time, adopt standards governing the performance or conduct of Owners, Contractors and their respective employees within Lakeside Preserve. Each Owner and contractor shall comply with such standards and cause its respective employees to also comply with same. The ACC may also promulgate requirements to be inserted in all contracts relating to construction within Lakeside Preserve and each Owner shall include the same therein.

19.13 Inspection. There is specifically reserved to Association and ACC and to any agent or member of either of them, the right of entry and inspection upon any portion of Lakeside Preserve at any time within reasonable daytime hours, for the purpose of determination whether there exists any violation of the terms of any approval or the terms of this Declaration or the Community Standards.

19.14 Violation. If any improvement shall be constructed or altered without prior written approval, or in a manner which fails to conform with the approval granted, the Owner shall, upon demand of Association or the ACC, cause such improvement to be removed, or restored until approval is obtained or in order to comply with the plans and specifications originally approved. The Owner shall be liable for the payment of all costs of removal or restoration, including all costs and attorneys' fees and paraprofessional fees at all levels including appeals, collections and bankruptcy, incurred by Association or ACC. The costs shall be deemed an Individual Assessment and enforceable pursuant to the provisions of this Declaration. The ACC and/or Association is specifically empowered to enforce the architectural and landscaping provisions of this Declaration and the Community Standards, by any legal or equitable remedy.

19.15 Court Costs. In the event that it becomes necessary to resort to litigation to determine the propriety of any constructed improvement or to cause the removal of any unapproved improvement, Association and/or ACC shall be entitled to recover court costs, expenses and attorneys' fees and paraprofessional fees at all levels, including appeals, collections and bankruptcy, in connection therewith.

19.16 Certificate. In the event that any Owner fails to comply with the provisions contained herein, the Community Standards, or other rules and regulations promulgated by the ACC, Association and/or ACC may, in addition to all other remedies contained herein, record a Certificate of Non-Compliance against the Home stating that the improvements on the Home fail to meet the requirements of this Declaration and that the Home is subject to further enforcement remedies.

19.17 Certificate of Compliance. If requested by an Owner, prior to the occupancy of any improvement constructed or erected on any Home by other than Developer, or its designees, the Owner thereof shall obtain a Certificate of Compliance from the ACC, certifying that the Owner has complied with the requirements set forth herein. The ACC may, from time to time, delegate to a member or members of the ACC, the responsibility for issuing the Certificate of Compliance. The issuance of a Certificate of Compliance does not abrogate the ACC's rights set forth in Section 19.3 herein.

19.18 Exemption. Notwithstanding anything to the contrary contained herein, or in the Community Standards, any improvements of any nature made or to be made by Developer or its nominees, including, without limitation, improvements made or to be made to the Common Areas or any Home, shall not be subject to the review of the ACC, Association, or the provisions of the Community Standards.

19.19 Exculpation. Developer, Association, the directors or officers of Association, the ACC, the members of the ACC, or any person acting on behalf of any of them, shall not be liable for any cost or damages incurred by any Owner or any other party whatsoever, due to any mistakes in judgment, negligence, or any action of Developer, Association, ACC or their members, officers, or directors, in connection with the approval or disapproval of plans and specifications. Each Owner agrees, individually and on behalf of its heirs, successors and assigns by acquiring title to a Home, that it shall not bring any action or suit against Developer, Association or their respective directors or officers, the ACC or the members of the ACC, or their respective agents, in order to recover any damages caused by the actions of

Developer, Association, or ACC or their respective members, officers, or directors in connection with the provisions of this Section. Association does hereby indemnify, defend and hold Developer and the ACC, and each of their members, officers, and directors harmless from all costs, expenses, and liabilities, including attorneys' fees and paraprofessional fees at all levels, including appeals, of all nature resulting by virtue of the acts of the Owners, Association, ACC or their members, officers and directors. Developer, Association, its directors or officers, the ACC or its members, or any person acting on behalf of any of them, shall not be responsible for any defects in any plans or specifications or the failure of same to comply with applicable laws or code nor for any defects in any improvements constructed pursuant thereto. Each party submitting plans and specifications for approval shall be solely responsible for the sufficiency thereof and for the quality of construction performed pursuant thereto.

20. Owners Liability.

20.1 Right to Cure. Should any Owner do any of the following:

20.1.1 Fail to perform its responsibilities as set forth herein or otherwise breach the provisions of the Declaration; or

20.1.2 Cause any damage to any improvement or Common Areas; or

20.1.3 Impede Developer or Association from exercising its rights or performing its responsibilities hereunder; or

20.1.4 Undertake unauthorized improvements or modifications to a Home or the Common Areas; or

20.1.5 Impede Developer from proceeding with or completing the development of Lakeside Preserve, as the case may be.

Then Developer and/or Association after reasonable prior written notice, shall have the right, through its agents and employees, to cure the breach, including, but not limited to, the entering upon the Home causing the default to be remedied and/or the required repairs or maintenance to be performed, or as the case may be, remove unauthorized improvements or modifications. The cost thereof, plus reasonable overhead costs and attorneys' fees and paraprofessional fees at all levels including appeals, collections and bankruptcy, incurred shall be assessed against the Owner as an Individual Assessment.

20.2 Non-Monetary Defaults. In the event of a violation by any Owner, other than the nonpayment of any Assessment or other monies, of any of the provisions of this Declaration, Developer or Association shall notify the Owner of the violation, by written notice. If such violation is not cured as soon as practicable and in any event within seven (7) days after such written notice, the party entitled to enforce same may, at its option:

20.2.1 Commence an action to enforce the performance on the part of the Owner or to enjoin the violation or breach or for equitable relief as may be necessary under the circumstances, including injunctive relief; and/or

20.2.2 Commence an action to recover damages; and/or

20.2.3 Take any and all action reasonably necessary to correct the violation or breach.

All expenses incurred in connection with the violation or breach, or the commencement of any action against any Owner, including reasonable attorneys' fees and paraprofessional fees at all levels including appeals, collections and bankruptcy, shall be assessed against the Owner, as an Individual Assessment, and shall be immediately due and payable without further notice.

20.3 No Waiver. The failure to enforce any right, provision, covenant or condition in this Declaration, shall not constitute a waiver of the right to enforce such right, provision, covenant or condition in the future.

20.4 Rights Cumulative. All rights, remedies, and privileges granted to Developer, Association and/or the ACC pursuant to any terms, provisions, covenants or conditions of this Declaration, or Community Standards, shall be deemed to be cumulative, and the exercise of any one or more shall neither be deemed to constitute an election of remedies, nor shall it preclude any of them from pursuing such additional remedies, rights or privileges as may be granted or as it might have by law.

20.5 Enforcement By or Against Other Persons. In addition to the foregoing, this Declaration or Community Standards may be enforced by Developer and/or, where applicable, Owners and/or Association by any procedure at law or in equity against any person violating or attempting to violate any provision herein, to restrain such violation, to require compliance with the provisions contained herein, to recover damages, or to enforce any lien created herein. The expense of any litigation to enforce this Declaration or Community Standards shall be borne by the person against whom enforcement is sought, provided such proceeding results in a finding that such person was in violation of this Declaration or the Community Standards.

20.6 Fines. Except to the extent prohibited by law, in the event of a violation of the provisions contained herein by an Owner or a person acting by, through, or under an Owner, the Rules and Regulations, the Community Standards, or other rules and regulations promulgated by the ACC, Association shall also have the right to levy reasonable fines or suspend the privileges of the Owner or any person acting by, through, or under an Owner. Each fine shall be an Individual Assessment and enforceable pursuant to the provisions of this Declaration and the By-Laws. Each day of an Owner's failure to comply with this Declaration, the Rules and Regulations, the Community Standards, or other rules and regulations promulgated by the ACC shall be treated as a separate violation and, be subject to a separate fine. The decisions of Association shall be final. Fines shall be in such reasonable and uniform amounts as Association shall determine. Suspensions and fines shall be imposed in the manner provided in Section 720.305 of the Florida Statutes, as amended from time to time. The Board shall have the authority to promulgate additional procedures from time to time.

20.7 Mediation and Arbitration of Disputes. Notwithstanding anything to the contrary contained in this Declaration, all disputes and other matters (except as set forth herein) between or among Association, the Board, any committee of Association, any officer, director, employee, agent or any Owner(s), (all of whom shall collectively be deemed to be intended beneficiaries of this Section), shall be submitted first to mediation and, if not settled during mediation, then to final, binding arbitration, all in accordance with the provisions hereinafter set forth in this Section, and such disputes and other matters shall not be decided by a court of law. The disputes and other matters which are subject to mediation and/or arbitration under this Section include, without limitation, the following: (a) those arising under the provisions of this Declaration, the Articles or Bylaws of Association; (b) those regarding any of the Rules

and Regulations, the Standards adopted by the ACC, resolutions, decisions, or rulings of Association, the Board, or any of Association's committees; (c) any and all controversies, disputes or claims between any of the intended beneficiaries of this section, regardless of how the same might have arisen or on what it might be based; (d) any statements, representations, promises, warranties, or other communications made by or on behalf of any of the intended beneficiaries of this Section and (e) any other matters that may be allowed in accordance with Florida Statutes Chapter 720.311.

20.7.1 Notwithstanding the foregoing, the following actions shall not be subject to this Section: (a) actions relating to the collection of fees, assessments, fines and other charges imposed or levied by Association, the Board or any of Association's committees; and (b) actions by Association to obtain an injunction to compel the compliance with, or enjoin the violation of, the provisions of this Declaration, the Articles or Bylaws of Association, and all Rules and Regulations, the Standards adopted by the ACC, resolutions, decisions, or rulings of Association, the Board, or any of Association's committees.

21. Additional Rights of Developer.

21.1 Sales and Administrative Offices. Developer shall have the perpetual right to take such action reasonably necessary to transact any business necessary to consummate the development of Lakeside Preserve and sales and re-sales of Homes and/or other properties owned by Developer or others outside of Lakeside Preserve. This right shall include, but not be limited to, the right to maintain models, sales offices and parking associated therewith, have signs on any portion of Lakeside Preserve, including Common Areas, employees in the models and offices without the payment of rent or any other fee, maintain offices in models and use of the Common Areas to show Homes. The sales office and signs and all items pertaining to development and sales remain the property of Developer. Developer shall have all of the foregoing rights without charge or expense. Without limiting any other provision of this Declaration, Developer may assign its rights hereunder to each Builder. The rights reserved hereunder shall extend beyond the Community Completion Date.

21.2 Modification. The development and marketing of Lakeside Preserve will continue as deemed appropriate in Developer's sole discretion, and nothing in this Declaration or Community Standards, or otherwise, shall be construed to limit or restrict such development and marketing. It may be necessary or convenient for the development of Lakeside Preserve to, as an example and not a limitation, amend a Plat and/or the Master Plan, modify the boundary lines of the Common Areas, grant easements, dedications, agreements, licenses, restrictions, reservations, covenants, rights-of-way, and to take such other actions which Developer, or its agents, affiliates, or assignees may deem necessary or appropriate. Association and Owners shall, at the request of Developer, execute and deliver any and all documents and instruments which Developer deems necessary or convenient, in its sole and absolute discretion, to accomplish the same.

21.3 Promotional Events. Prior to the Community Completion Date, Developer shall have the right, at any time, to hold marketing, special and/or promotional events within Lakeside Preserve and/or on the Common Areas, without any charge for use. Developer, its agents, affiliates, or assignees shall have the right to market Lakeside Preserve and Homes in advertisements and other media by making reference to Lakeside Preserve, including, but not limited to, pictures or drawings of Lakeside Preserve, Common Areas, Lots and Homes constructed in Lakeside Preserve. All logos, trademarks, and designs used in connection with Lakeside Preserve are the property of Developer, and Association shall have no right to use the same after the Community Completion Date except with the express written permission of

Developer. Without limiting any other provision of this Declaration, Developer may assign its rights hereunder to each Builder.

21.4 Use by Prospective Purchasers. Prior to the Community Completion Date, Developer shall have the right, without charge, to use the Common Areas for the purpose of entertaining prospective purchasers of Homes, or other properties owned by Developer outside of Lakeside Preserve.

21.5 Franchises. Developer may grant franchises or concessions to commercial concerns on all or part of the Common Areas and shall be entitled to all income derived therefrom.

21.6 Management. Developer may manage the Common Areas by contract with Association.

21.7 Easements. Until the Community Completion Date, Developer reserves the exclusive right to grant, in its sole discretion, easements, permits and/or licenses for ingress and egress, drainage, utilities service, maintenance, Telecommunications Services; and other purposes over, under, upon and across Lakeside Preserve so long as any said easements do not materially and adversely interfere with the intended use of Homes previously conveyed to Owners. By way of example, and not of limitation, Developer may be required to take certain action, or make additions or modifications to the Common Areas in connection with an environmental program. All easements necessary for such purposes are reserved in favor of Developer, in perpetuity, for such purposes. Without limiting the foregoing, Developer may relocate any easement affecting a Home, or grant new easements over a Home, after conveyance to an Owner, without the joinder or consent of such Owner, so long as the grant of easement or relocation of easement does not materially and adversely affect the Owner's use of the Home as a residence. As an illustration, Developer may grant an easement for Telecommunications Systems, irrigation, drainage lines or electrical lines over any portion of a Lot so long as such easement is outside the footprint of the foundation of any residential improvement constructed on such Lot. Developer shall have the sole right to any fees of any nature associated therewith, including, but not limited to, license or similar fees on account thereof. Association and Owners will, without charge, if requested by Developer: (a) join in the creation of such easements, etc. and cooperate in the operation thereof; and (b) collect and remit fees associated therewith, if any, to the appropriate party. Association will not grant any easements, permits or licenses to any other entity providing the same services as those granted by Developer, nor will it grant any such easement, permit or license prior to the Community Completion Date without the prior written consent of Developer which may be granted or denied in its sole discretion. To the extent legally required, each Owner shall be deemed to have granted to Developer and, thereafter, Association an irrevocable power of attorney, coupled with an interest, for the purposes herein expressed.

21.8 Right to Enforce. Developer has the right, but not the obligation, to enforce the provisions of this Declaration and the Community Standards and to recover all costs relating thereto, including attorneys' fees and paraprofessional fees at all levels of proceeding, including appeals, collections and bankruptcy. Such right shall include the right to perform the obligations of Association and to recover all costs incurred in doing so.

21.9 Additional Development. If Developer withdraws portions of Lakeside Preserve from the operation of this Declaration, Developer may, but is not required to, subject to governmental approvals, create other forms of residential property ownership or other improvements of any nature on the property not subjected to or withdrawn from the operation of this Declaration. Developer shall not be liable or responsible to any person or entity on account of its decision to do so or to provide, or fail to provide, the amenities and/or facilities which were originally planned to be included in such areas. If so designated by

Developer, owners or tenants of such other forms of housing or improvements upon their creation, may share in the use of all or some of the Common Areas and other facilities and/or roadways which remain subject to this Declaration. The expense of the operation of such facilities shall be allocated to the various users thereof, if at all, as determined by Developer.

21.10 Representations. Developer makes no representations concerning development both within and outside the boundaries of Lakeside Preserve including, but not limited to, the number, design, boundaries, configuration and arrangements, prices of all Lots or Homes and buildings in all other proposed forms of ownership and/or other improvements on Lakeside Preserve or in Lakeside Preserve or adjacent to or near Lakeside Preserve, including, but not limited to, the size, location, configuration, elevations, design, building materials, height, view, airspace, number of homes, number of buildings, location of easements, parking and landscaped areas, services and amenities offered.

21.11 Telecommunications Services.

21.11.1 Right to Contract for Telecommunications Services. Association shall have the right, but not the obligation, to enter into one or more contracts for the provision of one or more Telecommunications Services for all or any part of Lakeside Preserve. Prior to the Community Completion Date, all contracts between a Telecommunications Provider and Association shall be subject to the prior written approval of Developer. Developer and/or its nominees, successors, assigns, affiliates, and licensees may contract with Association and act as a Telecommunications Provider for one or more Telecommunications Services, subject only to the requirements of all applicable laws, statutes, and regulations. If Developer is not the Telecommunications Provider for any particular Telecommunications Service, Developer shall have the right to receive, on a perpetual basis, all or a portion of access fees and/or the revenues derived from such Telecommunications Service within Lakeside Preserve as agreed, from time to time, between the Telecommunications Provider and Developer, provided, however, that no such fees may be imposed on a Telecommunications Provider except as provided in any written agreement between such Telecommunications Provider and Developer and/or Association.

21.11.2 Easements. Developer (i) reserves unto itself and its nominees, successors, assigns, affiliates, and licensees, and (ii) grants to each Telecommunications Provider that has entered into an agreement with Association respecting Telecommunications Services and/or Telecommunications Systems a perpetual right, privilege, easement and right-of-way across, over, under and upon Lakeside Preserve for the installation, construction and maintenance of Telecommunications Systems together with a perpetual right, privilege and easement of ingress and egress, access, over and upon Lakeside Preserve for installing, constructing, inspecting, maintaining, altering, moving, improving and replacing facilities and equipment constituting such Telecommunications Systems. If, and to the extent, Telecommunications Services provided by such Telecommunications Providers are to serve all of Lakeside Preserve, then the amounts payable to such Telecommunications Providers under their written agreements with Association shall be part of Operating Costs of Association and shall be assessed as a part of the Assessments.

21.11.3 Restoration. Upon the completion of any installation, upgrade, maintenance, repair, or removal of the Telecommunications Systems or any part thereof, each Telecommunications Provider shall restore the relevant portion of the Common Areas and/or any Home to as good a condition as that which existed prior to such installation, maintenance, repair or removal. Failure by Telecommunications Provider to commence such restoration within twenty (20) days after receiving written notice from Association of such failure or the Telecommunications Provider's failure to complete

such restoration within ninety (90) days of commencement shall vest in Association the right (but not the obligation) to restore or cause to be restored such portion of the Common Areas and/or Home disturbed by such work, all at such Telecommunications Provider's sole cost and expense, except for in emergency situations whereby Association may restore or cause to be restored such disturbed portion of the Common Areas and/or Home immediately. In the event that Association exercises the right of self-help, each Telecommunications Provider agrees in advance that Association shall have the sole right to (i) select the contractors to perform such work and (ii) determine the extent of required restoration. This remedy of self-help is in addition to all other remedies of Association hereunder. All reasonable expenses incurred by Association in connection with such restoration shall be paid by Telecommunications Provider within twenty (20) days of completion of restoration and delivery to Telecommunications Provider of Association's invoice therefor. Any expenses not so paid when due shall bear interest from the due date at the lesser of (i) the publicly announced prime rate (or similar successor reference rate) of First Union National Bank, or its successor organization, on the date of such invoice, or (ii) the maximum rate of interest allowed by the law of the State of Florida for such obligations, or as provided in an agreement between Association and a Telecommunications Provider.

21.12 Non-Liability. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN ASSOCIATION DOCUMENTS, ASSOCIATION SHALL NOT BE LIABLE OR RESPONSIBLE FOR, OR IN ANY MANNER A GUARANTOR OR INSURER OF, THE HEALTH, SAFETY OR WELFARE OF ANY OWNER, OCCUPANT OR USER OF ANY PORTION OF LAKESIDE PRESERVE INCLUDING, WITHOUT LIMITATION, RESIDENTS AND THEIR FAMILIES, GUESTS, LESSEES, LICENSEES, INVITEES, AGENTS, SERVANTS, CONTRACTORS, AND/OR SUBCONTRACTORS OR FOR ANY PROPERTY OF ANY SUCH PERSONS. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING:

21.12.1 IT IS THE EXPRESS INTENT OF ASSOCIATION DOCUMENTS THAT THE VARIOUS PROVISIONS THEREOF WHICH ARE ENFORCEABLE BY ASSOCIATION AND WHICH GOVERN OR REGULATE THE USES OF LAKESIDE PRESERVE HAVE BEEN WRITTEN, AND ARE TO BE INTERPRETED AND ENFORCED, FOR THE SOLE PURPOSE OF ENHANCING AND MAINTAINING THE ENJOYMENT OF LAKESIDE PRESERVE AND THE VALUE THEREOF; AND

21.12.2 ASSOCIATION IS NOT EMPOWERED, AND HAS NOT BEEN CREATED, TO ACT AS AN AGENCY WHICH ENFORCES OR ENSURES THE COMPLIANCE WITH THE LAWS OF THE STATE OF FLORIDA AND/OR MANATEE COUNTY OR PREVENTS TORTIOUS ACTIVITIES; AND

21.12.3 THE PROVISIONS OF ASSOCIATION DOCUMENTS SETTING FORTH THE USES OF ASSESSMENTS WHICH RELATE TO HEALTH, SAFETY, AND WELFARE SHALL BE INTERPRETED AND APPLIED ONLY AS LIMITATIONS ON THE USES OF ASSESSMENT FUNDS AND NOT AS CREATING A DUTY OF ASSOCIATION TO PROTECT OR FURTHER THE HEALTH, SAFETY, OR WELFARE OF ANY PERSON(S), EVEN IF ASSESSMENT FUNDS ARE CHOSEN TO BE USED FOR ANY SUCH REASON.

EACH OWNER (BY VIRTUE OF HIS ACCEPTANCE OF TITLE TO A HOME) AND EACH OTHER PERSON HAVING AN INTEREST IN OR LIEN UPON, OR MAKING A USE OF, ANY PORTION OF LAKESIDE PRESERVE (BY VIRTUE OF ACCEPTING SUCH INTEREST OR LIEN OR MAKING SUCH USE) SHALL BE BOUND BY THIS SECTION AND SHALL BE DEEMED TO

HAVE AUTOMATICALLY WAIVED ANY AND ALL RIGHTS, CLAIMS, DEMANDS AND CAUSES OF ACTION AGAINST ASSOCIATION ARISING FROM OR CONNECTED WITH ANY MATTER FOR WHICH THE LIABILITY OF ASSOCIATION HAS BEEN DISCLAIMED IN THIS SECTION OR OTHERWISE. AS USED IN THIS SECTION, "ASSOCIATION" SHALL INCLUDE WITHIN ITS MEANING ALL OF ASSOCIATION'S DIRECTORS, OFFICERS, COMMITTEE AND BOARD MEMBERS, EMPLOYEES, AGENTS, CONTRACTORS (INCLUDING MANAGEMENT COMPANIES, SUBCONTRACTORS, SUCCESSORS AND ASSIGNS).

21.13 Resolution of Disputes. BY ACCEPTANCE OF A DEED, EACH OWNER AGREES THAT ASSOCIATION DOCUMENTS ARE VERY COMPLEX; THEREFORE, ANY CLAIM, DEMAND, ACTION, OR CAUSE OF ACTION, WITH RESPECT TO ANY ACTION, PROCEEDING, CLAIM, COUNTERCLAIM, OR CROSS CLAIM, WHETHER IN CONTRACT AND/OR IN TORT (REGARDLESS IF THE TORT ACTION IS PRESENTLY RECOGNIZED OR NOT), BASED ON, ARISING OUT OF, IN CONNECTION WITH OR IN ANY WAY RELATED TO ASSOCIATION DOCUMENTS, INCLUDING ANY COURSE OF CONDUCT, COURSE OF DEALING, VERBAL OR WRITTEN STATEMENT, VALIDATION, PROTECTION, ENFORCEMENT ACTION OR OMISSION OF ANY PARTY SHOULD BE HEARD IN A COURT PROCEEDING BY A JUDGE AND NOT A JURY IN ORDER TO BEST SERVE JUSTICE. DEVELOPER HEREBY SUGGESTS THAT EACH OWNER UNDERSTAND THE LEGAL CONSEQUENCES OF ACCEPTING A DEED TO A HOME.

21.14 Venue. EACH OWNER ACKNOWLEDGES REGARDLESS OF WHERE SUCH OWNER (i) EXECUTED A PURCHASE AND SALE AGREEMENT, (ii) RESIDES, (iii) OBTAINS FINANCING OR (iv) CLOSED ON A HOME, THIS DECLARATION LEGALLY AND FACTUALLY WAS EXECUTED IN MANATEE COUNTY, FLORIDA. DEVELOPER HAS AN OFFICE IN MANATEE COUNTY, FLORIDA AND EACH HOME IS LOCATED IN MANATEE COUNTY, FLORIDA. ACCORDINGLY, AN IRREFUTABLE PRESUMPTION EXISTS THAT THE ONLY APPROPRIATE VENUE FOR THE RESOLUTION OF ANY DISPUTE LIES IN MANATEE COUNTY, FLORIDA. IN ADDITION TO THE FOREGOING, EACH OWNER AND DEVELOPER AGREE THAT THE VENUE FOR RESOLUTION OF ANY DISPUTE LIES IN MANATEE COUNTY, FLORIDA.

21.15 Reliance. BEFORE ACCEPTING A DEED TO A HOME, EACH OWNER HAS AN OBLIGATION TO RETAIN AN ATTORNEY IN ORDER TO CONFIRM THE VALIDITY OF THIS DECLARATION. BY ACCEPTANCE OF A DEED TO A HOME, EACH OWNER ACKNOWLEDGES THAT HE HAS SOUGHT AND RECEIVED SUCH AN OPINION OR HAS MADE AN AFFIRMATIVE DECISION NOT TO SEEK SUCH AN OPINION. DEVELOPER IS RELYING ON EACH OWNER CONFIRMING IN ADVANCE OF ACQUIRING A HOME THAT THIS DECLARATION IS VALID, FAIR AND ENFORCEABLE. SUCH RELIANCE IS DETRIMENTAL TO DEVELOPER. ACCORDINGLY, AN ESTOPPEL AND WAIVER EXISTS PROHIBITING EACH OWNER FROM TAKING THE POSITION THAT ANY PROVISION OF THIS DECLARATION IS INVALID IN ANY RESPECT. AS A FURTHER MATERIAL INDUCEMENT FOR DEVELOPER TO SUBJECT LAKESIDE PRESERVE TO THIS DECLARATION, EACH OWNER DOES HEREBY RELEASE, WAIVE, DISCHARGE, COVENANT NOT TO SUE, ACQUIT, SATISFY AND FOREVER DISCHARGE DEVELOPER, ITS OFFICERS, DIRECTORS, EMPLOYEES, AND AGENTS AND ITS AFFILIATES AND ASSIGNS FROM ANY AND ALL LIABILITY, CLAIMS, COUNTERCLAIMS, DEFENSES, ACTIONS, CAUSES OF ACTION, SUITS, CONTROVERSIES, AGREEMENTS, PROMISES

AND DEMANDS WHATSOEVER IN LAW OR IN EQUITY WHICH AN OWNER MAY HAVE IN THE FUTURE, OR WHICH ANY PERSONAL REPRESENTATIVE, SUCCESSOR, HEIR OR ASSIGN OF OWNER HEREAFTER CAN, SHALL OR MAY HAVE AGAINST DEVELOPER, ITS OFFICERS, DIRECTORS, EMPLOYEES, AND AGENTS, AND ITS AFFILIATES AND ASSIGNS, FOR, UPON OR BY REASON OF ANY MATTER, CAUSE OR THING WHATSOEVER RESPECTING THIS DECLARATION, OR THE EXHIBITS HERETO. THIS RELEASE AND WAIVER IS INTENDED TO BE AS BROAD AND INCLUSIVE AS PERMITTED BY THE LAWS OF THE STATE OF FLORIDA.

21.16 Duration of Rights. The rights of Developer set forth in this Declaration shall, unless specifically provided to the contrary herein, extend for a period of time ending upon the earlier of: (i) the Turnover Date; or (ii) a relinquishment by Developer in an amendment to the Declaration placed in the Public Records.

21.17 Monitoring System; Right to Install. Association shall have the right, but not the obligation, to contract for the installation of a Monitoring System for each Home within Lakeside Preserve. Prior to the Community Completion Date, all contracts for Monitoring Systems shall be subject to the prior written approval of Developer. In the event the monitoring system is installed by a party other than Developer, each Owner acknowledges that Developer may receive lump sum or monthly compensation from such party in connection with the costs of operating and maintaining the Monitoring System. Such compensation may be paid on a per Home or other basis. All such compensation shall be the sole property of Developer, who shall have no duty to account for or disclose the amount of such compensation. Developer or its nominees, successors, assigns, affiliates, and licensees may install such a Monitoring System. Developer reserves the right, at any time and in its sole discretion, to discontinue or terminate any Monitoring System prior to the Community Completion Date. In addition, all Owners specifically acknowledge that Lakeside Preserve may have a perimeter access control system, such as fences, walls, hedges, or the like on certain perimeter areas. ASSOCIATION, BUILDERS AND DEVELOPER SHALL NOT BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OR FAILURE TO PROVIDE ADEQUATE ACCESS CONTROL OR INEFFECTIVENESS OF ACCESS CONTROL MEASURES UNDERTAKEN.

21.17.1 Components. The Monitoring System, if installed, may include one or more manned gatehouses, one or more electronic gates, and roving attendants using vehicles. Association and Developer do not warrant or guaranty in any manner that the system will include these items, but reserve the right to install or provide the foregoing items, or any other items they deem appropriate in their sole and absolute discretion. After the Community Completion Date, Association may expand the Monitoring System by a vote of the majority of the Board, without the joinder or consent of the Owners or any third parties. Without limiting the foregoing, Developer and Association reserve the right to, at any time, increase, decrease, eliminate, or add manned or unmanned gate houses, information booths, sensors, gates and other access monitoring measures as they deem appropriate in their sole and absolute discretion; provided, however, no changes shall be made prior to the Community Completion Date without the prior written consent of Developer.

21.17.2 Part of Operating Costs. If furnished and installed within any Home, the cost of operating and monitoring any Monitoring System may be included in Operating Costs of Association and may be payable as a portion of the Assessments against Owners. The purpose of the Monitoring System will be to control access to Lakeside Preserve. Each Owner understands that the expense of the

Monitoring System may not be charged on a bulk basis, but may be charged at the rate equal to any rate paid by individual homeowners that are not subject to a homeowners association.

21.17.3 Owners' Responsibility. All Owners and occupants of any Home, and the tenants, guests and invitees of any Owner, as applicable, acknowledge that Association, its Board and officers, Developer, their nominees or assigns, or any successor Developer, and the ACC and its members, do not represent or warrant that (a) any Monitoring System, designated by or installed according to guidelines established, will not be compromised or circumvented, (b) any Monitoring System will prevent loss by fire, smoke, burglary, theft, hold-up, or otherwise, and/or (c) the Monitoring System will in all cases provide the detection for which the system is designed or intended. In the event that Developer elects to provide a Monitoring System, Developer shall not be liable to the Owners or Association with respect to such Monitoring System, and the Owners and Association shall not make any claim against Developer for any loss that an Owner or Association may incur by reason of break-ins, burglaries, acts of vandalism, personal injury or death, which are not detected or prevented by the Monitoring System. Each Owner and Association are responsible for protecting and insuring themselves in connection with such acts or incidents. The provision of a Monitoring System (including any type of gatehouse) shall in no manner constitute a warranty or representation as to the provision of or level of security within Lakeside Preserve or any residential subdivision contained therein. Developer, Builder and Association do not guaranty or warrant, expressly or by implication, the merchantability of fitness for use of any Community Monitoring System, or that any such system (or any of its components or related services) will prevent intrusions, fires, or other occurrences, regardless of whether or not the Monitoring Service is designed to monitor the same. Each and every Owner and the occupant of each Home acknowledges that Developer, Builders and Association, their employees, agents, managers, directors, and officers, are not insurers of Owners or Homes, or the personal property located within Homes. Developer, Builders and Association will not be responsible or liable for losses, injuries, or deaths resulting from any such events.

22. Refund of Taxes and Other Charges. Unless otherwise provided herein, Association agrees that any taxes, fees or other charges paid by Developer to any governmental authority, utility company or any other entity which at a later date are refunded in whole or in part, shall be returned to Developer in the event such refund is received by Association.

23. Assignment of Powers. All or any part of the rights, exemptions and powers and reservations of Developer herein contained may be conveyed or assigned in whole or part to other persons or entities by an instrument in writing duly executed, acknowledged, and, at Developer's option, recorded in the Public Records.

24. General Provisions.

24.1 Authority of Board. Except when a vote of the membership of Association is specifically required, all decisions, duties, and obligations of Association hereunder may be made by the Board. Association and Owners shall be bound thereby.

24.2 Severability. Invalidation of any of the provisions of this Declaration by judgment or court order shall in no way affect any other provision, and the remainder of this Declaration shall remain in full force and effect.

24.3 Execution of Documents. Developer's plan of development for the Property (including, without limitation, the creation of one (1) or more special taxing districts) may necessitate from time to time the execution of certain documents as required by governmental agencies. To the extent that such documents require the joinder of Owners other than Developer, Developer, by its duly authorized officers, may, as the agent or the attorney-in-fact for the Owners, execute, acknowledge and deliver such documents (including, without limitation, any consents or other documents required by any governmental agencies in connection with the creation of any special taxing district); and the Owners, by virtue of their acceptance of deeds, irrevocably nominate, constitute and appoint Developer, through its duly authorized officers, as their proper and legal attorneys-in-fact, for such purpose. Such appointment is coupled with an interest and is therefore irrevocable. Any such documents executed pursuant to this Section may recite that it is made pursuant to this Section. Notwithstanding the foregoing, each Owner agrees, by its acceptance of a deed to a Home or any other portion of Lakeside Preserve, to execute or otherwise join in any petition and/or other documents required in connection with the creation of a special taxing district relating to Lakeside Preserve or any portion(s) thereof.

24.4 Affirmative Obligation of Association. In the event that Association believes that Developer has failed in any respect to meet Developer's obligations under this Declaration or has failed to comply with any of Developer's obligations under law or the Common Areas are defective in any respect, Association shall give written notice to Developer detailing the alleged failure or defect. Association agrees that once Association has given written notice to Developer pursuant to this Section, Association shall be obligated to permit Developer and its agents to perform inspections of the Common Areas and to perform all tests and make all repairs/replacements deemed necessary by Developer to respond to such notice at all reasonable times. Association agrees that any inspection, test and/or repair/replacement scheduled on a business day between 9 a.m. and 5 p.m. shall be deemed scheduled at a reasonable time. The rights reserved in this Section include the right of Developer to repair or address, in Developer's sole option and expense, any aspect of the Common Areas deemed defective by Developer during its inspections of the Common Areas. Association's failure to give the notice and/or otherwise comply with the provisions of this Section will damage Developer. At this time, it is impossible to determine the actual damages Developer might suffer. Accordingly, if Association fails to comply with its obligations under this Section in any respect, Association shall pay to Developer liquidated damages in the amount of \$250,000.00 which Association and Developer agree is a fair and reasonable remedy.

24.5 Notices. Any notice required to be sent to any person, firm, or entity under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address at the time of such mailing.

24.6 Florida Statutes. Whenever this Declaration refers to the Florida Statutes, it shall be deemed to refer to the Florida Statutes as they exist on the date this Declaration is recorded except to the extent provided otherwise as to any particular provision of the Florida Statutes.

24.7 Construction Activities. ALL OWNERS, OCCUPANTS AND USERS OF LAKESIDE PRESERVE ARE HEREBY PLACED ON NOTICE THAT (1) DEVELOPER AND/OR ITS AGENTS, CONTRACTORS, SUBCONTRACTORS, LICENSEES AND OTHER DESIGNEES AND/OR (2) ANY OTHER PARTIES WILL BE, FROM TIME TO TIME, CONDUCTING CONSTRUCTION ACTIVITIES, EXCAVATION, CONSTRUCTION AND OTHER ACTIVITIES WITHIN OR IN PROXIMITY TO LAKESIDE PRESERVE. BY THE ACCEPTANCE OF THEIR DEED OR OTHER CONVEYANCE OR MORTGAGE, LEASEHOLD, LICENSE OR OTHER INTEREST, AND BY USING ANY PORTION OF LAKESIDE PRESERVE, EACH SUCH OWNER, OCCUPANT AND

USER AUTOMATICALLY ACKNOWLEDGES, STIPULATES AND AGREES (i) THAT NONE OF THE AFORESAID ACTIVITIES SHALL BE DEEMED NUISANCES OR NOXIOUS OR OFFENSIVE ACTIVITIES, HEREUNDER OR AT LAW GENERALLY, (ii) NOT TO ENTER UPON, OR ALLOW THEIR CHILDREN OR OTHER PERSONS UNDER THEIR CONTROL OR DIRECTION TO ENTER UPON (REGARDLESS OF WHETHER SUCH ENTRY IS A TRESPASS OR OTHERWISE) ANY PROPERTY WITHIN OR IN PROXIMITY TO LAKESIDE PRESERVE WHERE SUCH ACTIVITY IS BEING CONDUCTED (EVEN IF NOT BEING ACTIVELY CONDUCTED AT THE TIME OF ENTRY, SUCH AS AT NIGHT OR OTHERWISE DURING NON-WORKING HOURS), (iii) DEVELOPER AND THE OTHER AFORESAID RELATED PARTIES SHALL NOT BE LIABLE FOR ANY AND ALL LOSSES, DAMAGES (COMPENSATORY, CONSEQUENTIAL, PUNITIVE OR OTHERWISE), INJURIES OR DEATHS ARISING FROM OR RELATING TO THE AFORESAID ACTIVITIES, EXCEPT RESULTING DIRECTLY FROM DEVELOPER'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, AND (iv) ANY PURCHASE OR USE OF ANY PORTION OF LAKESIDE PRESERVE HAS BEEN AND WILL BE MADE WITH FULL KNOWLEDGE OF THE FOREGOING.

24.8 Title Documents. Each Owner by acceptance of a deed to a Home acknowledges that such Home is subject to certain land use and title documents and all amendments thereto recorded in the Public Records of Manatee County, Florida (collectively, the "Title Documents").

24.9 Developer's Right to Seek Amendments. Developer's plan of development for Lakeside Preserve may necessitate from time to time the further amendment, modification and/or termination of the Title Documents. DEVELOPER RESERVES THE UNCONDITIONAL RIGHT TO SEEK AMENDMENTS AND MODIFICATIONS OF THE TITLE DOCUMENTS. It is possible that a governmental subdivision or agency may require the execution of one or more documents in connection with an amendment, modification, and/or termination of the Title Documents. To the extent that such documents require the joinder of Owners other than Developer, Developer, by any one of its duly authorized officers, may, as the agent and/or the attorney-in-fact for the Owners, execute, acknowledge and deliver any documents required by applicable governmental subdivision or agency; and the Owners, by virtue of their acceptance of deeds, irrevocably nominate, constitute and appoint Developer, through any one of its duly authorized officers, as their proper and legal attorney-in-fact for such purpose. This appointment is coupled with an interest and is therefore irrevocable. Any such documents executed pursuant to this Section may recite that it is made pursuant to this Section. Notwithstanding the foregoing, each Owner agrees, by its acceptance of a deed to a Home:

24.9.1 to execute or otherwise join in any documents required in connection with the amendment, modification, or termination of the Title Documents; and

24.9.2 that such Owner has waived its right to object to or comment the form or substance of any amendment, modification, or termination of the Title Documents.

Without limiting the foregoing, upon the Community Completion Date Association shall assume all of the obligations of Developer under the Title Documents unless otherwise provided by Developer by amendment to this Declaration recorded by Developer in the Public Records, from time to time, and in the sole and absolute discretion of Developer.

25. Rights of Manatee County. In the event of any violation of any ordinances, rules or restrictions imposed by the County of Manatee with respect to the Subdivision, the County of Manatee may, without

the consent of the Association or any Member, seek judicial enforcement of such ordinances, rules or restrictions and if such enforcement shall be required by a court of competent jurisdiction, the County of Manatee shall be entitled, in addition to all other awards or direction of enforcement, to all reasonable attorney's fees and court costs incurred by the County relative to its enforcement of the foregoing.

26. Additional Exhibits. The following exhibits are annexed hereto in accordance with the requirement of Manatee County Land Development Regulations:

26.1	Exhibit "D"	List of Holdings
26.2	Exhibit "E"	Maintenance Program
Code 26.3	Exhibit "F"	Right of Entry and Compliance with Manatee County Land Development
26.4	Exhibit "G"	2006 Estimated Budget
26.5	Exhibit "H"	Ten Year Budget Projection
26.6	Exhibit "I"	Notice to Buyers

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the undersigned, being Developer hereunder, has hereunto set its hand and seal this 15th day of December, 2005.

WITNESSES:

K. HOVANIAN WINDWARD HOMES, LLC,
a Florida limited liability company

Brenda Samuels
Print Name: Brenda Samuels

By:

T. Chad Horne

Name:

T. Chad Horne

Title:

President

Amber Nichols
Print Name: Amber Nichols

STATE OF FLORIDA)
) SS.:
COUNTY OF)
HILLSBOROUGH

The foregoing instrument was acknowledged before me this 15 day of December, 2005 by T. Chad Horne, as President of K. Hovnanian Windward Homes, LLC, a Florida limited liability company, who is personally known to me or who has produced _____ as identification.

My commission expires:

Deon Coogle
NOTARY PUBLIC, State of Florida at Large
Print Name: Deon Coogle

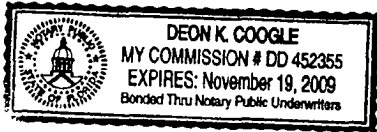


EXHIBIT "A"

LEGAL DESCRIPTION FOR LAKESIDE PRESERVE, A SUBDIVISION

COMMENCE AT THE SOUTHWEST CORNER OF SECTION 32, TOWNSHIP 33 SOUTH, RANGE 19 EAST, MANATEE COUNTY, FLORIDA; THENCE S 89°24'56" E, ALONG THE SOUTH LINE OF SAID SECTION 32, A DISTANCE OF 1325.13 FEET TO THE POINT OF BEGINNING AND THE SOUTHWEST CORNER OF THE WEST 1/2 OF THE S.E. 1/4 OF THE S.W. 1/4 OF SAID SECTION 32; THENCE N 00°15'28" E, ALONG THE WEST LINE OF SAID WEST 1/2 OF THE S.E. 1/4 OF THE S.W. 1/4, A DISTANCE OF 258.78 FEET TO THE SOUTHEAST CORNER OF THE NORTH 1058.86 FEET OF THE EAST 1/2 OF THE EAST 1/2 OF THE S.W. 1/4 OF THE S.W. 1/4 OF SAID SECTION 32; THENCE N 89°24'52" W, A DISTANCE OF 329.11 FEET TO THE SOUTHWEST CORNER OF SAID NORTH 1058.86 FEET OF THE EAST 1/2 OF THE EAST 1/2 OF THE S.W. 1/4 OF THE S.W. 1/4; THENCE N 00°07'49" E, ALONG THE WEST LINE OF SAID EAST 1/2 OF THE EAST 1/2 OF THE S.W. 1/4 OF THE S.W. 1/4, A DISTANCE OF 1059.19 FEET TO AN INTERSECTION WITH THE SOUTH LINE OF THE EAST 1/2 OF THE N.W. 1/4 OF THE S.W. 1/4 OF SAID SECTION 32; THENCE N 89°25'40" W, ALONG SAID SOUTH LINE, A DISTANCE OF 326.29 FEET TO AN INTERSECTION WITH THE EASTERLY MAINTAINED RIGHT OF WAY LINE OF RED ROOSTER ROAD AND THE WEST LINE OF THE EAST 1/2 OF THE N.W. 1/4 OF THE S.W. 1/4; THENCE N 00°11'32" E, ALONG SAID EASTERLY MAINTAINED RIGHT OF WAY LINE AND SAID WEST LINE AND THE WEST LINE OF THE WEST 1/2 OF THE EAST 1/2 OF THE S.W. 1/4 OF THE N.W. 1/4 OF SAID SECTION 32, A DISTANCE OF 1778.48 FEET TO AN INTERSECTION WITH THE SOUTHERLY RIGHT OF WAY LINE OF U.S. HIGHWAY No. 301 (STATE ROAD No. 43); THENCE N 60°16'46" E, ALONG SAID SOUTHERLY RIGHT OF WAY LINE, A DISTANCE OF 758.60 FEET TO AN INTERSECTION WITH THE EAST LINE OF THE EAST 1/2 OF THE EAST 1/2 OF THE S.W. 1/4 OF THE N.W. 1/4 OF SECTION 32; THENCE S 00°21'24" W, ALONG SAID EAST LINE, A DISTANCE OF 463.77 FEET TO THE NORTHWEST CORNER TO THE SOUTH 1/4 OF THE S.E. 1/4 OF THE N.W. 1/4 OF SAID SECTION 32; THENCE S 89°32'58" E, ALONG THE NORTH LINE OF SAID SOUTH 1/4 OF THE S.E. 1/4 OF THE N.W. 1/4, A DISTANCE OF 1279.24 FEET TO AN INTERSECTION WITH THE WEST RIGHT OF WAY LINE OF FORT HAMER ROAD; THENCE S 00°16'53" W, ALONG SAID WEST RIGHT OF WAY LINE, A DISTANCE OF 371.49 FEET TO AN INTERSECTION WITH THE SOUTH LINE OF SAID SOUTH 1/4 OF THE S.E. 1/4 OF THE N.W. 1/4; THENCE N 89°43'18" W, ALONG SAID SOUTH LINE, A DISTANCE OF 603.14 FEET TO THE NORTHEAST CORNER OF THE WEST 16 FEET OF THE N.E. 1/4 OF THE N.E. 1/4 OF THE S.W. 1/4 OF SAID SECTION 32; THENCE S 00°12'39" W, A DISTANCE OF 663.32 FEET TO THE SOUTHEAST CORNER OF SAID WEST 16 FEET OF THE N.E. 1/4 OF THE N.E. 1/4 OF THE S.W. 1/4; THENCE S 89°56'35" W, ALONG THE SOUTH LINE OF THE N.E. 1/4 OF THE N.E. 1/4 OF THE S.W. 1/4 OF SAID SECTION 32, A DISTANCE OF 16.13 FEET TO AN

LAKESIDE PRESERVE, A SUBDIVISION

INTERSECTION WITH THE EAST LINE OF THE EAST 1/2 OF THE WEST 1/2 OF THE N.E. 1/4 OF THE S.W. 1/4 OF SAID SECTION 32; THENCE ALONG SAID EAST LINE THE FOLLOWING TWO (2) COURSES: (1) S 00°13'00" W, A DISTANCE OF 330.93 FEET; (2) S 00°07'15" W, A DISTANCE OF 331.07 FEET TO THE NORTHEAST CORNER OF THE WEST 1/2 OF THE S.E. 1/4 OF THE S.W. 1/4 OF SAID SECTION 32; THENCE S 00°20'03" W, A DISTANCE OF 1312.93 FEET TO THE SOUTHEAST CORNER OF THE WEST 1/2 OF THE S.E. 1/4 OF THE S.W. 1/4; THENCE N 89°52'22" W, ALONG THE SOUTH LINE OF SAID WEST 1/2 OF THE S.E. 1/4 OF THE S.W. 1/4, A DISTANCE OF 656.15 FEET TO THE POINT OF BEGINNING. LYING AND BEING IN SECTION 32, TOWNSHIP 33 SOUTH, RANGE 19 EAST, MANATEE COUNTY, FLORIDA.

SUBJECT TO PERTINENT EASEMENTS, RIGHTS OF WAY, AND RESTRICTIONS OF RECORD.

CONTAINING 88.79 ACRES, MORE OR LESS.



EXHIBIT "B"

FLORIDA DEPARTMENT OF STATE

Glenda E. Hood
Secretary of State

March 28, 2005

CSC

The Articles of Incorporation for LAKESIDE PRESERVE HOMEOWNERS' ASSOCIATION, INC. were filed on March 25, 2005 and assigned document number N05000003147. Please refer to this number whenever corresponding with this office regarding the above corporation. The certification you requested is enclosed.

PLEASE NOTE: Compliance with the following procedures is essential to maintaining your corporate status. Failure to do so may result in dissolution of your corporation.

A corporation annual report must be filed with this office between January 1 and May 1 of each year beginning with the calendar year following the year of the filing/effective date noted above and each year thereafter. Failure to file the annual report on time may result in administrative dissolution of your corporation.

A federal employer identification (FEI) number must be shown on the annual report form prior to its filing with this office. Contact the Internal Revenue Service to insure that you receive the FEI number in time to file the annual report. To obtain a FEI number, contact the IRS at 1-800-829-3676 and request form SS-4.

Should your corporate mailing address change, you must notify this office in writing, to insure important mailings such as the annual report notices reach you.

Should you have any questions regarding corporations, please contact this office at the address given below.

Doris Brown, Document Specialist
New Filings Section

Letter Number: 505A00020917

Account number: 072100000032

Amount charged: 78.75



Department of State

I certify the attached is a true and correct copy of the Articles of Incorporation of LAKESIDE PRESERVE HOMEOWNERS' ASSOCIATION, INC., a Florida corporation, filed on March 25, 2005, as shown by the records of this office.

The document number of this corporation is N05000003147.

Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capitol, this the
Twenty-eighth day of March, 2005



CR2EO22 (2-03)

Glenda E. Hood
Glenda E. Hood
Secretary of State

ARTICLES OF INCORPORATION
OF
LAKESIDE PRESERVE HOMEOWNERS' ASSOCIATION, INC.
(A CORPORATION NOT-FOR-PROFIT)

FILED
SECRETARY OF STATE
DIVISION OF CORPORATION
05 MAR 25 PM 1:49

In compliance with the requirements on the Laws of the State of Florida, and for the purpose of forming a corporation not for profit, the undersigned does hereby acknowledge:

1. Name of Corporation. The name of the corporation is LAKESIDE PRESERVE HOMEOWNERS' ASSOCIATION, INC. ("Association").
2. Principal Office. The principal office of Association is 5439 Beaumont Center Boulevard, Suite 1050, Tampa, Florida 33634, or such other location as shall be designated by the Board of Directors.
3. Registered Office - Registered Agent. The street address of the Registered Office of Association is 5439 Beaumont Center Boulevard, Suite 1050, Tampa, Florida 33634. The name of the Registered Agent of Association is:

BETTY D. VALENTI

4. Definitions. A declaration entitled Declaration of Restrictions and Covenants for Lakeside Preserve (the "Declaration") will be recorded in the Public Records of Manatee County, Florida, and shall govern all of the operations of a community to be known as Lakeside Preserve. All initially capitalized terms not defined herein shall have the meanings set forth in the Declaration.
5. Purpose of Association. Association is formed to: (a) provide for ownership, operation, maintenance and preservation of the Common Areas, and improvements thereon; (b) perform the duties delegated to it in the Declaration; (c) administer the interests of Association and the Owners; (d) promote the health, safety and welfare of the Owners.
6. Not for Profit. Association is a not for profit Florida corporation and does not contemplate pecuniary gain to, or profit for, its members, Board of Directors or Officers.
7. Powers of Association. Association shall, subject to the limitations and reservations set forth in the Declaration, have all the powers, privileges and duties reasonably necessary to discharge its obligations, including, but not limited to, the following:
 - 7.1. To perform all the duties and obligations of the Association set forth in the Declaration and By-Laws, as herein provided.
 - 7.2. To enforce, by legal action or otherwise, the provisions of the Declaration, these Articles and By-Laws and of all rules, regulations, covenants, restrictions and agreements governing or binding Association and Lakeside Preserve.
 - 7.3. To operate and maintain the Surface Water Management System as required by the Permit and Declaration, including the lake and mitigation areas.
 - 7.4. To fix, levy, collect and enforce payment, by any lawful means, of all Assessments pursuant to the terms of the Declaration, these Articles and By-Laws.

Lakeside Preserve
Articles of Incorporation
March 7, 2005

7.5. To pay all Operating Costs, including, but not limited to, all licenses, taxes or governmental charges levied or imposed against the property of Association and establish Reserves for deferred maintenance or capital expenditures.

7.6. To acquire (by gift, purchase or otherwise), annex, own, hold, improve, build upon, operate, maintain, convey, grant rights and easements, sell, dedicate, lease, transfer or otherwise dispose of real or personal property (including the Common Areas) in connection with the functions of Association except as limited by the Declaration.

7.7. To borrow money, and to mortgage, pledge or hypothecate any or all of its real or personal property as security for money or debts incurred.

7.8. To dedicate, grant, license, lease, concession, create easements upon, sell or transfer all or any part of, Lakeside Preserve to any public agency, entity, authority, utility or other person or entity for such purposes and subject to such conditions as it determines and as provided in the Declaration.

7.9. To participate in mergers and consolidations with other non-profit corporations organized for the same purposes.

7.10. To adopt, publish, promulgate or enforce rules, regulations, covenants, restrictions or agreements governing Association, Lakeside Preserve, the Common Areas, Parcels and Homes as provided in the Declaration and to effectuate all of the purposes for which Association is organized.

7.11. To have and to exercise any and all powers, rights and privileges which a not-for-profit corporation organized under the Laws of the State of Florida may now, or hereafter, have or exercise.

7.12. To employ personnel and retain independent contractors to contract for management of Association, Lakeside Preserve and the Common Area as provided in the Declaration and to delegate in such contract all or any part of the powers and duties of Association.

7.13. To contract for services to be provided to, or for the benefit of, Association, Owners, the Common Areas and Lakeside Preserve as provided in the Declaration such as, but not limited to, Telecommunications Services, maintenance, garbage pick-up, and utility services.

7.14. To establish committees and delegate certain of its functions to those committees.

7.15. To sue and be sued.

8. Voting Rights. Owners and Developer shall have the voting rights set forth in the By-Laws.

9. Board of Directors. The affairs of Association shall be managed by a Board of odd number with not less than three (3) nor more than nine (9) members. The initial number of directors shall be three (3). Board members shall be appointed and/or elected as stated in the By-Laws. The election of Directors shall be held at the annual meeting. Directors shall be elected for staggered terms of two (2) years each, expiring on the date of the annual meeting two (2) years from the annual meeting at which the Director was elected. The names and addresses of the members of the first Board who shall hold office until their successors are appointed or elected, or until removed, are as follows:

<u>NAME</u>	<u>ADDRESS</u>
Betty D. Valenti	5439 Beaumont Center Boulevard Suite 1050 Tampa, Florida 33634
Paul Corace	5439 Beaumont Center Boulevard Suite 1050 Tampa, Florida 33634
Shawn Wilson	5439 Beaumont Center Boulevard Suite 1050 Tampa, Florida 33634

10. Dissolution. In the event of the dissolution of Association other than incident to a merger or consolidation, any member may petition the Circuit Court having jurisdiction of the Judicial Circuit of the State of Florida for the appointment of a receiver to manage its affairs of the dissolved Association and to manage the Common Areas, in the place and stead of Association, and to make such provisions as may be necessary for the continued management of the affairs of the dissolved Association and its properties. In addition, if Association is dissolved, the Surface Water Management System shall be conveyed to an appropriate agency of local government. If a governmental agency will not accept the Surface Water Management System, then it must be dedicated to a similar non-profit corporation.

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

12. Amendments.

12.1. General Restrictions on Amendments. Notwithstanding any other provision herein to the contrary, no amendment to these Articles shall affect the rights of Developer unless such amendment receives the prior written consent of Developer, which may be withheld for any reason whatsoever. If the prior written approval of any governmental entity or agency having jurisdiction is required by applicable law or governmental regulation for any amendment to these Articles, then the prior written consent of such entity or agency must also be obtained. No amendment shall be effective until it is recorded in the Public Records.

12.2. Amendments Prior to the Turnover Date. Prior to the Turnover Date, Developer shall have the right to amend these Articles as it deems appropriate, without the joinder or consent of any person or entity whatsoever. Developer's right to amend under this Section is to be construed as broadly as possible. In the event that Association shall desire to amend these Articles prior to the Turnover Date, Association must first obtain Developer's prior written consent to any proposed amendment. Thereafter, an amendment identical to that approved by Developer may be adopted by Association pursuant to the requirements for amendments from and after the Turnover Date. Thereafter, Developer shall join in such identical amendment so that its consent to the same will be reflected in the Public Records.

12.3. Amendments From and After the Turnover Date. After the Turnover Date, but subject to the general restrictions on amendments set forth above, these Articles may be amended with (i) the approval of two-thirds (66 2/3%) of the Board and (ii) seventy-five percent (75%) of all the votes (in person or by proxy) at a duly called meeting of the Members in which a quorum is present. For purposes

of amending these Articles, a quorum shall constitute thirty (30) percent of Voting Interests of Association.

12.4. Amendments Required by Governmental Entities. In addition, the Board shall have the power to unilaterally amend these Articles to bring any provisions herein into compliance with any governmental or quasi-governmental statute, rule, regulation, or requirement, or judicial ruling. To the extent legally required, each Owner shall be deemed to have granted to the Association an irrevocable power of attorney, coupled with an interest, for this purpose.

13. Limitations.

13.1. Declaration is Paramount. No amendment may be made to these Articles which shall in any manner reduce, amend, affect or modify the terms, conditions, provisions, rights and obligations set forth in the Declaration.

13.2. Rights of Developer. There shall be no amendment to these Articles which shall abridge, reduce, amend, effect or modify the rights of Developer.

13.3. By-Laws. These Articles shall not be amended in a manner that conflicts with the By-Laws.

14. Incorporator. The name and address of the Incorporator of this corporation is:

T. CHAD HORNE
5439 Beaumont Center Blvd.
Suite 1050
Tampa, Florida 33634

15. Officers. The Board shall elect a President, Secretary, Treasurer, and as many Vice Presidents, Assistant Secretaries and Assistant Treasurers as the Board shall from time to time determine. The names of the Officers who shall serve until their successors are elected by the Board are as follows:

President:	Betty D. Valenti
Vice President:	Paul Corace
Secretary:	Shawn Wilson
Treasurer:	Shawn Wilson

16. Indemnification of Officers and Directors. Association shall and does hereby indemnify and hold harmless every Director and every Officer, their heirs, executors and administrators, against all loss, cost and expenses reasonably incurred in connection with any action, suit or proceeding to which such Director or Officer may be made a party by reason of being or having been a Director or Officer of Association, including reasonable counsel fees and paraprofessional fees at all levels of proceeding. This indemnification shall not apply to matters wherein the Director or Officer shall be finally adjudged in such action, suit or proceeding to be liable for or guilty of gross negligence or willful misconduct. The

ACCEPTANCE BY REGISTERED AGENT

The undersigned, having been named to accept service of process for the above-stated corporation at the place designated in this certificate, hereby agrees to act in this capacity, and is familiar with, and accepts, the obligations of this position and further agrees to comply with the provisions of all statutes relative to the proper and complete performance of its duties.

Dated this 18th day of March, 2005.

By: Betty D. Valenti
Betty D. Valenti

FILED STATE
SECRETARY OF CORPORATION
05 MAR 25 PM 1:49
DIVISION OF CORPORATION

EXHIBIT "C"

BY-LAWS OF LAKESIDE PRESERVE

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BY-LAWS
OF
LAKESIDE PRESERVE HOMEOWNERS' ASSOCIATION, INC.

1. Name and Location. The name of the corporation is LAKESIDE PRESERVE HOMEOWNERS' ASSOCIATION, INC. ("**Association**"). The principal office of the corporation shall be located at 5439 Beaumont Center Boulevard, Suite 1050, Tampa, Florida 33634 or at such other location determined by the Board of Directors (the "**Board**") from time to time.

2. Definitions. The definitions contained in the Declaration of Restrictions and Covenants for Lakeside Preserve (the "**Declaration**") relating to the residential community known as Lakeside Preserve, recorded, or to be recorded, in the Public Records of Manatee County, Florida, are incorporated herein by reference and made a part hereof. In addition to the terms defined in the Declaration, the following terms shall have the meanings set forth below:

"**Annual Members Meeting**" shall have the meaning assigned to such term in Section 3.2 of these By-Laws.

"**Articles**" shall mean the Articles of Incorporation for Association, as amended from time to time.

"**By-Laws**" shall mean these By-Laws, as amended from time to time.

"**Class A Member**" shall mean each Owner and/or Builder.

"**Class B Member**" shall mean the Developer until the Turnover Date.

"**Declaration**" shall mean the Declaration as modified from time to time.

"**Developer**" shall mean K. Hovnanian Windward Homes, LLC. and any of its designees, successors and assigns who receive a written assignment of all or some of the rights of Developer hereunder. Such assignment need not be recorded in the Public Records in order to be effective. In the event of such a partial assignment, the assignee shall not be deemed Developer, but may exercise such rights of Developer specifically assigned to it. Any such assignment may be made on a non-exclusive basis.

"**Member**" shall mean each Owner and Developer.

"**Minutes**" shall mean the minutes of all Member and Board meetings, which shall be in the form required by the Florida Statutes. In the absence of governing Florida Statutes, the Board shall determine the form of the minutes.

"**Official Records**" shall mean all records required to be maintained by Association pursuant to Section 720.303(4) of the Florida Statutes, as amended from time to time.

"**Special Members Meeting**" shall have the meaning assigned to such term in Section 3.3 of these By-Laws.

"**Turnover Date**" shall have the meaning set forth in the Declaration.

"**Voting Interests**" shall mean the voting rights held by the Members.

3. Members.

3.1 Voting Interests. Each Owner and Developer shall be a Member of Association. No person who holds an interest in a Home or Lot only as security for the performance of an obligation shall be a Member of Association. Membership shall be appurtenant to, and may not be separated from, ownership of any Home. The Association shall have two (2) classes of voting membership. Class A Members shall be entitled to one vote for each Home or Lot owned. When more than one person holds an interest in any Home or Lot, all such persons shall be Members. The vote for such Home or Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Home or Lot. Class B Member(s) shall be entitled to three (3) votes for each Home or Lot owned. The Class B Member(s) shall also be entitled to appoint the entire Board of Directors prior to the Turnover Date. On the Turnover Date, the Class B Membership shall terminate and be converted to a Class A Membership within three (3) months of the occurrence of the earliest of the following events:

(i) When Developer conveys ninety percent (90%) of the Lots that may be ultimately conveyed by the Developer in the Property to Members; or

(ii) Ten (10) years from the date of filing of this Declaration ; or

(iii) Such earlier date as determined in the sole discretion of the Developer.

3.1.1 Multiple Individuals. If a Home or Lot is owned by more than one individual, any one of such individuals may exercise the Voting Interest with respect to such Home or Lot. In the event that there is a conflict among such individuals, the Voting Interest for such Home or Lot cannot be exercised.

3.1.2 Liability of Association. Association may act in reliance upon any writing or instrument or signature, whether original or facsimile, which Association, in good faith, believes to be genuine, may assume the validity and accuracy of any statement or assertion contained in such a writing or instrument, and may assume that any person purporting to give any writing, notice, advice or instruction in connection with the provisions hereof has been duly authorized to do so. So long as Association acts in good faith, Association shall have no liability or obligation with respect to the exercise of Voting Interests, and no election shall be invalidated (in the absence of fraud) on the basis that Association permitted or denied any person the right to exercise a Voting Interest. In addition, the Board may impose additional requirements respecting the exercise of Voting Interests (e.g., the execution of a Voting Certificate).

3.2 Annual Meetings. The annual meeting of the Members (the "**Annual Members Meeting**") shall be held at least once each calendar year on a date, at a time, and at a place to be determined by the Board.

3.3 Special Meetings of the Members. Special meetings of the Members (a "**Special Members Meeting**") may be called by the President, a majority of the Board, or upon written request of ten percent (10%) of the Voting Interests of the Members. The business to be conducted at a Special Members Meeting shall be limited to the extent required by Florida Statutes.

3.4 Notice of Members Meetings. Written notice of each Members meeting shall be given by, or at the direction of, any officer of the Board or any management company retained by Association. A copy of the notice shall be mailed to each Member entitled to vote, postage prepaid, not less than fourteen (14) days before the meeting (provided, however, in the case of an emergency, two (2) days'

notice will be deemed sufficient). The notice shall be addressed to the Member's address last appearing on the books of Association. The notice shall specify the place, day, and hour of the meeting and, in the case of a Special Members Meeting, the purpose of the meeting. Alternatively, and to the extent not prohibited by the Florida Statutes, the Board may adopt from time to time, other procedures for giving notice to the Members of the Annual Members Meeting or a Special Members Meeting. By way of example, and not of limitation, such notice may be included in a newsletter sent to each Member.

3.5 Quorum of Members. Until the Turnover Date, a quorum shall be established by Developer's presence at any meeting. From and after the Turnover Date, a quorum shall be established by the presence, in person or by proxy, of the Members entitled to cast ten percent (10%) of the Voting Interests, except as otherwise provided in the Articles, the Declaration, or these By-Laws. Notwithstanding any provision herein to the contrary, in the event that technology permits Members to participate in Members Meetings and vote on matters electronically, then the Board shall have authority, without the joinder of any other party, to revise this provision to establish appropriate quorum requirements.

3.6 Adjournment of Members Meetings. If, however, a quorum shall not be present at any Members meeting, the meeting may be adjourned as provided in the Florida Statutes. In the absence of a provision in the Florida Statutes, the Members present shall have power to adjourn the meeting and reschedule it on another date.

3.7 Action of Members. Decisions that require a vote of the Members must be made by a concurrence of a majority of the Voting Interests present in person or by proxy, represented at a meeting at which a quorum has been obtained unless provided otherwise in the Declaration, the Articles, or these By-Laws.

3.8 Proxies. At all meetings, Members may vote their Voting Interests in person or by proxy. All proxies shall comply with the provisions of Section 720.306(6) of the Florida Statutes, as amended from time to time, be in writing, and be filed with the Secretary at, or prior to, the meeting. Every proxy shall be revocable prior to the meeting for which it is given.

4. Board of Directors.

4.1 Number. The affairs of Association shall be managed by a Board consisting of not less than three (3) nor more than nine (9) persons. Board members appointed by Developer need not be Members of Association. Board members elected by the other Members must be Members of Association in good standing.

4.2 Term of Office. The election of Directors shall take place after Developer no longer has the authority to appoint the Board and shall take place at the Annual Members Meeting or on the Turnover Date. Directors shall be elected for staggered terms of two (2) years. If the Board has three (3) members, the two (2) Board members receiving the most votes shall serve for a term of two (2) years. The other Board member shall serve for a term of one (1) year. If the Board has five (5) members, the three (3) Board members receiving the most votes shall serve for a term of two (2) years. The remaining two (2) Board members shall serve for terms of one (1) year. Directors appointed by Developer shall serve for such term determined by Developer.

4.3 Removal. Any vacancy created by the resignation or removal of a Board member appointed by Developer may be replaced by Developer. Developer may replace or remove any Board member appointed by Developer in Developer's sole and absolute discretion. In the event of death or

resignation of a Director elected by the Class A Members, the remaining Directors may fill such vacancy. Directors elected by Class A Members may be removed with or without cause by the vote or agreement in writing of Members holding a majority of the Voting Interests.

4.4 Compensation. No Director shall receive compensation for any service rendered as a Director to Association; provided, however, any Director may be reimbursed for actual expenses incurred as a Director.

4.5 Action Taken Without a Meeting. Except to the extent prohibited by law, the Board shall have the right to take any action without a meeting by obtaining the written approval of the required number of Directors. Any action so approved shall have the same effect as though taken at a meeting of Directors.

4.6 Appointment and Election of Directors. Until the Turnover Date, the Developer shall have the unrestricted power to appoint all Directors of Association. From and after the Turnover Date, or such earlier date determined by Developer in its sole and absolute discretion, the Members shall elect all Directors of Association at or in conjunction with the Annual Members Meeting of the Members. After the Turnover Date, the Developer shall be entitled to appoint one Director to the Board so long as Developer holds for sale in the ordinary course of business at least five percent (5%) of all Homes that Developer plans to build within Lakeside Preserve.

4.7 Election. Election to the Board shall be by secret written ballot, unless unanimously waived by all Members present. The persons receiving the largest numbers of votes shall be elected. Cumulative voting is not permitted.

4.8 Fiduciary Duty of Directors. Directors shall act in good faith in the performance of all duties.

5. Meeting of Directors.

5.1 Regular Meetings. Regular meetings of the Board shall be held on a schedule adopted by the Board from time to time. Meetings shall be held at such place and hour as may be fixed, from time to time, by resolution of the Board.

5.2 Special Meetings. Special meetings of the Board shall be held when called by the President, or by any two (2) Directors. Each Director shall be given not less than two (2) days' notice except in the event of an emergency. Notice may be waived. Attendance shall be a waiver of notice. Telephone conference meetings are permitted.

5.3 Emergencies. In the event of an emergency involving immediate danger of injury or death to any person or damage to property, if a meeting of the Board cannot be immediately convened to determine a course of action, the President or, in his absence, any other officer or director, shall be authorized to take such action on behalf of Association as shall be reasonably required to appropriately respond to the emergency situation, including the expenditure of Association funds in the minimum amount as may be reasonably required under the circumstances. The authority of officers to act in accordance herewith shall remain in effect until the first to occur of the resolution of the emergency situation or a meeting of the Board convened to act in response thereto.

Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting, at which a quorum is present, or in writing in lieu thereof, shall be action of the Board.

5.4 Open Meetings. Meetings of the Board shall be open to all Members except as otherwise provided by Florida law.

5.5 Voting. Board Members shall cast votes in the manner provided in the Florida Statutes. In the absence of a statutory provision, the Board shall establish the manner in which votes shall be cast.

5.6 Notice of Board Meetings. Notices of meetings of the Board shall be posted in a conspicuous place on the Common Areas at least 48 hours in advance, except in an event of an emergency. Alternatively, notice may be given to Members in any other manner provided by Florida Statute. By way of example, and not of limitation, notice may be given in any newsletter distributed to the Members. For the purposes of giving notice, any area created by Association for notices to be posted shall be deemed a conspicuous place. Notices of any meetings of the Board at which Assessments against Homes are to be established shall specifically contain a statement that Assessments shall be considered and a statement of the nature of such Assessments.

6. Powers and Duties of the Board.

6.1 Powers. The Board shall, subject to the limitations and reservations set forth in the Declaration and Articles, have the powers reasonably necessary to manage, operate, maintain and discharge the duties of Association, including, but not limited to, the power to cause Association to do the following:

6.1.1 General. Exercise all powers, duties and authority vested in or delegated to Association by law and in these By-Laws, the Articles, and the Declaration, including, without limitation, adopt budgets, levy Assessments, enter into contracts with Service Providers for Telecommunication Services, and other services

6.1.2 Rules and Regulations. Adopt, publish, promulgate and enforce rules and regulations governing the use of Lakeside Preserve by the Members, tenants and their guests and invitees, and to establish penalties and/or fines for the infraction thereof subject only to the requirements of the Florida Statutes, if any.

6.1.3 Enforcement. Suspend the right of use of the Common Areas (other than for vehicular and pedestrian ingress and egress and for utilities) of a Member during any period in which such Member shall be in default in the payment of any Assessment or charge levied, or collected, by Association.

6.1.4 Declare Vacancies. Declare the office of a member of the Board to be vacant in the event such Member shall be absent from three (3) consecutive regular Board meetings.

6.1.5 Hire Employees. Employees. Employ, on behalf of Association, managers, independent contractors, or such other employees as it deems necessary, to prescribe their duties and delegate to such manager, contractor, etc., any or all of the duties and functions of Association and/or its officers.

6.1.6 Common Areas. Acquire, sell, operate, lease, manage and otherwise trade and deal with property, real and personal, including the Common Areas, as provided in the Declaration, and

with any other matters involving Association or its Members, on behalf of Association or the discharge of its duties, as may be necessary or convenient for the operation and management of Association and in accomplishing the purposes set forth in the Declaration.

6.1.7 Granting of Interest. Grant licenses, easements, permits, leases, or privileges to any individual or entity, which affect Common Areas and to alter, add to, relocate or improve the Common Areas as provided in the Declaration.

6.1.8 Financial Reports. Prepare all financial reports required by the Florida Statutes.

6.2 Vote. The Board shall exercise all powers so granted except where the Declaration, Articles, or these By-Laws specifically require a vote of the Members.

6.3 Limitations. Until the Turnover Date, Developer shall have and is hereby granted a right to disapprove or veto any such action, policy, or program proposed or authorized by Association, the Board, the ACC, any committee of Association, or the vote of the Members. This right may be exercised by Developer at any time within ten (10) days following a meeting held pursuant to the terms and provisions hereof. This right to disapprove may be used to veto proposed actions but shall not extend to the requiring of any action or counteraction on behalf of Association, the Board, the ACC or any committee of Association.

7. Obligations of Association. Association, subject to the provisions of the Declaration, Articles, and these By-Laws, shall discharge such duties as necessary to operate Association pursuant to the Declaration, including, but not limited to, the following:

7.1 Official Records. Maintain and make available all Official Records.

7.2 Supervision. Supervise all officers, agents and employees of Association, and to see that their duties are properly performed.

7.3 Assessments and Fines. Fix and collect the amount of the Assessments and fines; take all necessary legal action; and pay, or cause to be paid, all obligations of Association or where Association has agreed to do so, of the Members.

7.4 Enforcement. Enforce the provisions of the Declaration, Articles, these By-Laws, and any Rules and Regulations.

8. Officers and Their Duties.

8.1 Officers. The officers of this Association shall be a President, a Vice President, a Secretary, and a Treasurer.

8.2 Election of Officers. Except as set forth below, the election of officers shall be by the Board and shall take place at the first meeting of the Board following each Annual Members Meeting.

8.3 Term. The officers named in the Articles shall serve until their replacement by the Board. The officers of Association shall hold office until their successors are appointed or elected unless such officer shall sooner resign, be removed, or otherwise disqualified to serve.

8.4 Special Appointment. The Board may elect such other officers as the affairs of Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

8.5 Resignation and Removal. Any officer may be removed from office, with or without cause, by 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 at any later time specified therein. Acceptance of such resignation shall not be necessary to make it effective.

8.6 Vacancies. A vacancy in any office shall be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the replaced officer.

8.7 Multiple Offices. The office of President and Vice-President shall not be held by the same person. All other offices may be held by the same person.

8.8 Duties. The duties of the officers are as follows:

8.8.1 President. The President shall preside at all meetings of Association and Board, sign all leases, mortgages, deeds and other written instruments and perform such other duties as may be required by the Board. The President shall be a member of the Board.

8.8.2 Vice President. The Vice President shall act in the place and stead of the President in the event of the absence, inability or refusal to act of the President, and perform such other duties as may be required by the Board.

8.8.3 Secretary. The Secretary shall record the votes and keep the Minutes of all meetings and proceedings of Association and the Board; keep the corporate seal of Association and affix it on all papers required to be sealed; serve notice of meetings of the Board and of Association; keep appropriate current records showing the names of the Members of Association together with their addresses; and perform such other duties as required by the Board.

8.8.4 Treasurer. The Treasurer shall cause to be received and deposited in appropriate bank accounts all monies of Association and shall disburse such funds as directed by the Board; sign, or cause to be signed, all checks, and promissory notes of Association; cause to be kept proper books of account and accounting records required pursuant to the provisions of Section 720.303 of the Florida Statutes cause to be prepared in accordance with generally accepted accounting principles all financial reports required by the Florida Statutes; and perform such other duties as required by the Board.

9. Committees.

9.1 General. The Board may appoint such committees as deemed appropriate. The Board may fill any vacancies on all committees.

9.2 ACC. Developer shall have the sole right to appoint the members of the ACC until the Turnover Date. Upon expiration of the right of Developer to appoint members of the ACC, the Board shall appoint the members of the ACC. As provided under the Declaration, Association shall have the authority and standing to seek enforcement in courts of competent jurisdiction any decisions of the ACC.

10. Records. The official records of Association shall be available for inspection by any Member at the principal office of Association. Copies may be purchased by a Member at a reasonable cost.

11. Corporate Seal. Association shall have an impression seal in circular form.

12. Amendments.

12.1 General Restrictions on Amendments. Notwithstanding any other provision herein to the contrary, no amendment to these By-Laws shall affect the rights of Developer, unless such amendment receives the prior written consent of Developer, which may be withheld for any reason whatsoever. If the prior written approval of any governmental entity or agency having jurisdiction is required by applicable law or governmental regulation for any amendment to these By-Laws, then the prior written consent of such entity or agency must also be obtained. No amendment shall be effective until it is recorded in the Public Records.

12.2 Amendments Prior to the Turnover Date. Prior to the Turnover Date, Developer shall have the right to amend these By-Laws as it deems appropriate, without the joinder or consent of any person or entity whatsoever. Developer's right to amend under this provision is to be construed as broadly as possible. In the event that Association shall desire to amend these By-Laws prior to the Turnover Date, Association must first obtain Developer's prior written consent to any proposed amendment. Thereafter, an amendment identical to that approved by Developer may be adopted by Association pursuant to the requirements for amendments from and after the Turnover Date. Thereafter, Developer shall join in such identical amendment so that its consent to the same will be reflected in the Public Records.

12.3 Amendments From and After the Turnover Date. After the Turnover Date, but subject to the general restrictions on amendments set forth above, these By-Laws may be amended with the approval of (i) two-thirds (66 2/3%) of the Board; and (ii) seventy-five percent (75%) of all of the votes (in person or by proxy) at a duly called meeting in which a quorum is present. For the purpose of amending the By-Laws, a quorum will be thirty percent (30%) of the Members of Association. In addition, notwithstanding any other provision in the Declaration, the Articles or By-Laws to the contrary, the Board shall have the power to unilaterally amend the By-Laws to bring any provisions herein into compliance with any governmental or quasi-governmental statute, rule, regulation, or requirement, or judicial ruling. Notwithstanding the foregoing, these By-Laws may be amended after the Turnover Date by two-thirds percent (66 2/3%) of the Board acting alone to change the number of directors on the Board. Such change shall not require the approval of the Members. Any change in the number of directors shall not take effect until the next Annual Members Meeting.

13. Conflict. In the case of any conflict between the Articles and these By-Laws, the Articles shall control. In the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

14. Fiscal Year. The first fiscal year shall begin on the date of incorporation and end on December 31 of that year. Thereafter, the fiscal year of Association shall begin on the first day of January and end on the 31st day of December of every year.

15. Miscellaneous.

15.1 Florida Statutes. Whenever these By-Laws refers to the Florida Statutes, it shall be deemed to refer to the Florida Statutes as they exist on the date these By-Laws are recorded except to the extent provided otherwise as to any particular provision of the Florida Statutes.

15.2 Severability. Invalidation of any of the provisions of these By-Laws by judgment or court order shall in no way affect any other provision, and the remainder of these By-Laws shall remain in full force and effect.

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EXHIBIT "D"

LAKESIDE PRESERVE HOMEOWNERS' ASSOCIATION, INC.

LIST OF HOLDINGS

The following is a list of holdings at Lakeside Preserve presently under construction, to be completed by the Developer, to wit:

- Tract A: Consists of a 1.06 acre (MOL) parcel of land designated as open space and includes a 15' utility easement and a 20' greenbelt buffer.
- Tract B: Consists of a 5151 square foot (MOL) parcel of land designated as open space and includes a 10' utility easement and a 20' landscape roadway buffer.
- Tract C: Consists of a 2.26 acre (MOL) parcel of land designated as open space and includes a 20' greenbelt buffer, a 10' utility easement and a 12' drainage easement.
- Tract CE1: Consists of a 1.39 acre (MOL) parcel of land designated as open space and Manatee County Conservation/Drainage Easement.
- Tract CE2: Consists of a 6.80 acre (MOL) parcel of land designated as open space and Manatee County Conservation /Drainage Easement.
- Tract D: Consists of a 1.53 acre (MOL) parcel of land designated as open space and includes a 20' greenbelt buffer, a portion of a 20' drainage easement, a 20' landscape roadway buffer, and a 12' drainage easement.
- Tract DE1: Consists of a 3.87 acre (MOL) parcel of land designated as open space and drainage easement and includes a 10' utility easement and a 20' landscape roadway buffer.
- Tract DE2: Consists of a 10.52 acre (MOL) parcel of land designated as open space and drainage easement.
- Tract DE3: Consists of a 0.89 acre (MOL) parcel of land designated as open space and drainage easement and includes a 10' utility easement and a 20' landscape roadway buffer.

- Tract DE4: Consists of a 0.56 acre (MOL) parcel of land designated as open space and drainage easement.
- Tract DE5: Consists of a 1.28 acre (MOL) parcel of land designated as open space and drainage easement.
- Tract DE6: Consists of a 2.04 acre (MOL) parcel of land designated as open space and drainage easement.
- Tract DE7: Consists of a 3.03 acre (MOL) parcel of land designated as open space and drainage easement and includes a portion of a 20' greenbelt buffer.
- Tract RA: Consists of a 9793 square foot (MOL) parcel of land designated as open space and recreation area and includes a park bench and a 15' utility easement.
- Tract RB: Consists of a 0.36 acre (MOL) parcel of land designated as open space and recreation area and includes a climbing structure for children, a bike rack, a park bench, a 30' drainage easement, and a 15' utility easement.
- Tract RC: Consists of a 1.26 acre (MOL) parcel of land designated as open space and recreation area and includes a 46' x 46' multipurpose court, a 30' drainage easement, a lift station easement, and a 10' utility easement.
- RW1: Consists of a 0.35 acre (MOL) parcel of land designated as area reserved for future right-of-way and includes a 10' utility easement and a 20' drainage easement.
- RW2: Consists of a 452 square foot (MOL) parcel of land designated as area reserved for future right-of-way.

EXHIBIT "E"

MAINTENANCE PROGRAM

It is anticipated that the budgetary information submitted for the first year of operations will provide for adequate funds to maintain and operate the facilities provided by Developer.

Subsequent years may require additional funds, which will be assessed and collected as required by the Declaration of Covenants, Conditions, Easements and Restrictions to which each lot is subject.

The maintenance of the open space areas, depicted on the plat, will include appropriate routine mowing, tree trimming, pest and weed control, irrigation repair, plant trimming and replacement and lake cleaning and treatment.

Native vegetation and enhanced landscaping within the roadway buffers, greenbelts, and tree and native plant preservation areas will not be disturbed and will remain in a natural state. Plant communities shall be protected at all times. Normal maintenance will be in compliance with the Manatee Land Development Code Section 714.2.2.8.

All areas of Lakeside Preserve that are owned by the Lakeside Preserve Homeowners' Association will be routinely monitored for the growth of nuisance and exotic plant species such as Brazilian peppers and miscellaneous vines and underbrush. The Association will take measures to remove any exotic plants that are identified. Annual reports certifying that these common areas are free of such species will be submitted to the Natural Resources Division under the Planning Department of Manatee County for the lifetime of the community or as required by the department. Annual reports will identify any upland areas of Lakeside Preserve that contain exotic species and the recommendations for removal and control of these exotic species.

The lake areas require continual inspection and maintenance, provision for which has been made at least quarterly in compliance with various regulatory permits, not limited to Southwest Florida Water Management District and Manatee County. The above permit conditions are regulated and performed by the Lakeside Preserve Homeowners' Association, Inc. to which the Declaration is subject.

In all events, a program is being established and will be established respecting all areas of the Subdivision, so as to assure compliance with the requirements of the regulatory bodies of Manatee County and specifically its Land Development Code.

EXHIBIT "F"**RIGHT OF ENTRY AND
COMPLIANCE WITH MANATEE COUNTY LAND DEVELOPMENT CODE**

The Manatee County Land Development Code, Ordinance 90-01, adopted on July 25, 1990, by the Board of County Commissioners of Manatee County, Florida requires adequate ownership and management measures be provided in residential developments to protect and perpetually maintain all common improvements and open space. The following provisions are stipulated in chapter nine of the Land Development Code (Subdivision Procedures and Standards), Section 909-5, and are hereby incorporated as part of the Declaration of Covenants, Conditions, and Restrictions for Lakeside Preserve.

- I. **Right of Entry by County.** The Manatee County law enforcement officers, health and pollution control personnel, emergency medical service personnel and fire fighters, while in pursuit of their duties are hereby granted authority to enter upon any and all portions of the Community Common Areas as may be necessary to perform those duties.
 - II. **Ownership of the Community Common Areas.** Notwithstanding anything herein contained to the contrary, the Community Association shall not dispose of any Common area, by sale or otherwise, except to an organization conceived and organized to own and maintain such Common areas, without first offering to dedicate the same to Manatee County or other appropriate governmental agency.
 - III. **Disturbance of Common Areas.** No lands in the Common Open Space shall be denuded, defaced or otherwise disturbed in any manner at any time, except for maintenance or repair, without the prior written approval of the Manatee County Planning Director.
 - IV. **Maintenance and Care.** In the event the Association or its successors fail to maintain the Common Area in reasonable order and condition, the provisions of the Manatee County Land Development Code allow for Manatee County, upon notice and hearing, to enter said Common Area for the purpose of maintaining same. The cost of such maintenance by the County shall be assessed pro-ratedly and such charges will be made payable by property owners within sixty (60) days after receipt of a statement therefore, and shall become a lien on the property if unpaid at the end of such period.
 - V. Notwithstanding any other provision of this Declaration, no violation of federal, state, or local law shall be permitted
 - VI. Notwithstanding any other provision of this Declaration relating to amendments, neither this Article nor any provision of this Declaration affecting this Article may be amended without the written consent of Manatee County.
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EXHIBIT "G"

Lakeside Preserve Homeowners' Association, Inc.¹
2006 Estimated Budget²

OPERATING COST PAYABLE BY ALL HOMES	MONTHLY	ANNUALLY
ADMINISTRATIVE FEES ³	940.50	11,286.00
ANNUAL REVIEW /TAX PREPARATION ⁴	66.67	800.00
CORPORATE ANNUAL REPORT ⁵	6.00	72.00
ELECTRIC ⁶	125.00	1,500.00
ENVIRONMENTAL MONITORING & REPORTING ⁷	166.67	2,000.00
GROUNDS MAINTENANCE ⁸	541.67	6,500.00
INSURANCE ⁹	541.67	6,500.00
IRRIGATION ¹⁰	1,250.00	15,000.00
LANDSCAPE MAINTENANCE ¹¹	6,250.00	75,000.00
LEGAL EXPENSE ¹²	41.67	500.00
OFFICE EXPENSES; PRINTING; POSTAGE ;BANK CHARGES ¹³	125.00	1,500.00
RESERVES ¹⁴	250.00	3,000.00
STREETLIGHTS ¹⁵	750.00	8,500.00
SURFACE WATER MAINTENANCE ¹⁶	400.00	4,800.00
TOTAL COST PAYABLE BY ALL HOMES	11,454.83	136,958.00
TOTAL COST PAYABLE BY EACH HOME	66.99	803.85

Assessments of \$804.00 per year will be paid on a quarterly basis.
Payments of \$201.00 will be due on January 1, April 1, July 1 and October 1.

LAKESIDE PRESERVE HOMEOWNERS' ASSOCIATION, INC.
ESTIMATED 2006 OPERATING BUDGET

NOTES

1. All initially capitalized terms not defined herein shall have the meaning assigned to such term in the Declaration of Covenants, Conditions and Restrictions for Lakeside Preserve. Each owner should consult the Declaration and its exhibits for a more complete description of Assessments.
2. This 2006 Estimated Operating Budget is projected and is not a guarantee of the actual amount of Operating Costs; therefore it is possible that actual Assessments may be less than or greater than projected. This estimated Operating Budget is based on 171 homes. Under the Declaration, Developer has the option to fund all or any portion of the shortfall in Monthly Assessments not raised by virtue of Monthly Assessments against Owners or to pay Monthly Assessment on homes owned by Developer.
3. This is the cost of management fees of \$5.50 per unit per month based on 171 units.
4. This is the estimated cost for preparation of the taxes and year- end review of the financials.
5. The Corporate Annual Report is required by law and is an annual expense.
6. This line item covers the cost of electrical usage. No basis has been established yet for the consumption. Costs associated with other similar developments have been used.
7. This is the projected cost of monitoring the Common Areas of Lakeside Preserve for nuisance and exotic plant species and preparing annual reports. This amount is subject to change once a contract for services is obtained.
8. This line item includes the cost of maintenance for the recreational areas, entrance features, signage, common area fences and any grounds maintenance not covered under landscape maintenance contract.
9. Provision for the projected cost of General Liability Insurance, Directors and Officers Insurance plus Property Insurance. Property and liability coverage may be provided under the Developer's corporate insurance policies or the Association may purchase its own property and liability insurance at any time. Until such time as the Association has purchased its own property and liability insurance, Developer may self insure the Association up to the amount of any deductibles under Developer's corporate property and liability insurance policies. The Association shall purchase its own insurance no later than turnover.
10. Estimated cost of monitoring individual lot irrigation timer controls and maintaining the Master Irrigation System as described in the Declaration of Covenants, Conditions and Restrictions.
11. This line item is the landscaping cost including mowing, edging, hedge trimming, weeding of beds and fertilization.

12. Estimated cost of attorney's fees for enforcement of association governing documents.
13. This item includes the office supplies, postage and copies needed for the management of the property and publication of a newsletter. It also includes the expense for rental of rooms for committee and membership meetings.
14. Reserve Funds are established as a long range funding source for major repairs or replacement of irrigation equipment, play equipment, signage, stormwater drainage facilities, common fences, entrance features, paver bricks and landscape materials. No costs basis has been established at this time for the replacement and major repairs of common elements. It is anticipated that Reserve income will be less than the amount shown in this budget, as there are currently less than 171 units in Lakeside Preserve. Developer does not fund the reserve accounts.
15. This line item is for the streetlights within the community. Should a streetlight district be established with Manatee County, this line item will be deleted and Owners will pay for this line item through their *non ad valorem* tax assessment.
16. This allocation is for the maintenance of ponds and lakes located within Lakeside Preserve.

EXHIBIT "H"
LAKESIDE PRESERVE HOMEOWNERS' ASSOCIATION, INC.
TEN YEAR BUDGET PROJECTION

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
ADMINISTRATIVE FEES	\$11,286.00	\$11,850.30	\$12,442.82	\$13,064.96	\$13,718.20	\$14,404.11	\$15,124.32	\$15,880.54	\$16,674.56	\$17,508.29
ANNUAL REVIEW /TAX PREPARATION	\$600.00	\$840.00	\$882.00	\$926.10	\$972.41	\$1,021.03	\$1,072.08	\$1,125.68	\$1,181.96	\$1,241.06
CORPORATE ANNUAL REPORT	\$72.00	\$75.60	\$79.38	\$83.35	\$87.52	\$91.89	\$96.49	\$101.31	\$106.38	\$111.70
ELECTRIC	\$1,500.00	\$1,575.00	\$1,653.75	\$1,736.44	\$1,823.26	\$1,914.42	\$2,010.14	\$2,110.65	\$2,216.18	\$2,326.99
ENVIRONMENTAL MONITORING & REPORTING	\$2,000.00	\$2,100.00	\$2,205.00	\$2,315.25	\$2,431.01	\$2,552.56	\$2,680.19	\$2,814.20	\$2,954.91	\$3,102.66
GROUNDS MAINTENANCE	\$6,500.00	\$6,825.00	\$7,166.25	\$7,524.56	\$7,900.79	\$8,295.83	\$8,710.62	\$9,146.15	\$9,603.46	\$10,083.63
INSURANCE	\$6,500.00	\$6,825.00	\$7,166.25	\$7,524.56	\$7,900.79	\$8,295.83	\$8,710.62	\$9,146.15	\$9,603.46	\$10,083.63
IRRIGATION	\$15,000.00	\$15,750.00	\$16,537.50	\$17,364.38	\$18,232.59	\$19,144.22	\$20,101.43	\$21,106.51	\$22,161.83	\$23,269.92
LANDSCAPE MAINTENANCE	\$75,000.00	\$78,750.00	\$82,687.50	\$86,821.88	\$91,162.97	\$95,721.12	\$100,507.17	\$105,532.53	\$110,809.16	\$116,349.62
LEGAL EXPENSE	\$500.00	\$525.00	\$551.25	\$578.81	\$607.75	\$638.14	\$670.05	\$703.55	\$738.73	\$775.66
OFFICE EXPENSES	\$1,500.00	\$1,575.00	\$1,653.75	\$1,736.44	\$1,823.26	\$1,914.42	\$2,010.14	\$2,110.65	\$2,216.18	\$2,326.99
RESERVES	\$3,000.00	\$3,150.00	\$3,307.50	\$3,472.88	\$3,646.52	\$3,828.84	\$4,020.29	\$4,221.30	\$4,432.37	\$4,653.98
STREETLIGHTS	\$8,500.00	\$8,925.00	\$9,371.25	\$9,839.81	\$10,331.80	\$10,848.39	\$11,390.81	\$11,960.35	\$12,558.37	\$13,186.29
SURFACE WATER MAINTENANCE	\$4,800.00	\$5,040.00	\$5,292.00	\$5,556.60	\$5,834.43	\$6,126.15	\$6,432.46	\$6,754.08	\$7,091.79	\$7,446.38
TOTAL	\$136,958.00	\$143,805.90	\$150,996.20	\$158,546.00	\$166,473.30	\$174,796.97	\$183,536.82	\$192,713.66	\$202,349.34	\$212,466.81

NOTE: These figures are projected and are subject to change based upon the needs of the Association.

EXHIBIT "I"

NOTICE TO BUYERS

To the purchasers of lots in Lakeside Preserve, a Subdivision, Manatee County, Florida:

You are hereby notified that the purchase of your lot is subject to:

1. The Declaration of Restrictions for Lakeside Preserve, as amended from time to time ("Declaration"), a copy of which Declaration is provided to you upon execution of your contract to purchase.
2. Ownership of a lot in Lakeside Preserve automatically makes you a member of Lakeside Preserve Community Association, Inc. ("Association").
3. The plat for Lakeside Preserve and any amendments thereto.
4. The Developer (as defined in the Declaration) or other owners of real property, as identified within the Declaration, currently own the Community Common Areas, and may continue to do so as long as the Developer is a Class B member of the Association, or may convey same to the Association sooner. The Association has the right and power to assess and collect, as provided in its Bylaws and/or the Declaration, the cost of maintenance of the Community Common Areas and, as all such terms are defined in the Declaration.
5. The initial proposed assessment by the Association is \$757 annually per Lot. You are hereby notified that the Association may increase that amount as may be required to maintain (and provide reserves for) the Community Common Areas, landscaping and other amenities of Lakeside Preserve.
6. The foregoing statements are only summary in nature and shall not be deemed to supersede or modify the provisions of the Declaration, the License Agreement, the Plat or any lot sales or construction contract between you and Developer.
7. There may be other common private improvements which are the responsibility of the Association which are filed of record and may be found in the Records Management Division of the Manatee County Planning Department under File No. PDR-00-07.
8. Each property owner within the subdivision at the time of construction of a building, residence or structure shall comply with the construction plans for the surface water management system approved and on file with the Southwest Florida Water Management District ("District").

9. The removal of littoral shelf vegetation (including cattails) from wet detention ponds is prohibited unless otherwise approved by the District. Removal includes dredging, the application of herbicide, cutting, and the introduction of grass carp. Any questions regarding authorized activities within the wet detention ponds shall be addressed to the District's Regulations Manager, Venice Service Office.

10. Unless permitted by the Manatee County Land Development Code, the following acts and activities are expressly prohibited within the boundaries of Conservation Easements without the prior consent of Manatee County:
 - A. Construction or placing of buildings, roads, signs, billboards or other advertising, or other structures on or above the ground.
 - B. Construction or placing of utilities on, below or above the ground without appropriate local, state and federal permits or other authorization.
 - C. Dumping or placing of soil or other substances or material as landfill or dumping or placing trash, waste, unsightly or offensive materials.
 - D. Removal, mowing, or trimming of trees, shrubs or other vegetation.
 - E. Application of herbicides, pesticides or fertilizers.
 - F. Excavation, dredging or removal of loam, peat, gravel, soil, rock or other material substances in such manner as to affect the surface.
 - G. Surface use except for purposes that permit the land or water areas to remain in its natural condition.
 - H. Any activity detrimental to drainage, flood control, water conservation, erosion control, soil conservation or fish and wildlife habitat preservation.
 - I. Acts or uses detrimental to such retention of land or water areas.

11. You are hereby notified of the presence of neighboring agricultural uses which may possibly include the use of pesticides and herbicides and may have odors and noises associated with such use.

12. Buildings within Lakeside Preserve will be subject to the following setbacks and restrictions imposed by Manatee County from time to time. At the current time, such setbacks and restrictions include the following:
 - A. Front: 20 feet
 - B. Side: 7.5 feet
 - C. Rear: 15 feet
 - D. Waterfront: 30 feet
 - E. All structures shall be setback twenty feet (20') from the roadway buffer along Red Rooster Road, except for pool cages, swimming pools and screen porches which will be subject to Section 703.2.23 of Manatee County Land Development Code.
 - F. Additionally, all buildings on the perimeter lots along Red Rooster Road and Fort Hamer Road must be restricted to one story and a maximum height of twenty-two feet (22'), as building height is defined in the Land

Development Code. Pool cages or other screened cages along Red Rooster Road and Fort Hamer Road shall not exceed the height of the home and shall utilize materials of a dark color such as black or bronze.

13. Buyers are hereby notified that the end of Fort Hamer Road connecting to Upper Manatee River Road will be widened to four lanes and a bridge will be constructed.
14. Buyers are further notified that the main entrance to Lakeside Preserve which is located on the four lane highway U.S. 301 will be limited to right-in and right-out access only.
15. Manatee County requires that the lowest quality water possible be used for irrigation purposes. In-ground irrigation using Manatee County public potable water supply is prohibited on Common Areas and individual Lots.
16. Prior to issuing a Certificate of Occupancy, the County requires a Certification from the Surveyor or Engineer stating that the floor elevation and lot grading and drainage are in substantial compliance with the approved plans. The certification shall be submitted to the Driveway Inspection Section of the Transportation Department.
17. Prior to the issuance of a Certificate of Occupancy, each lot shall include required canopy trees* provided by the developer and/or builder. It is the lot owner's responsibility to maintain such trees which cannot be removed unless replaced with a similar type and size of tree within 30 days. The trees shall be planted within 25 feet of the right of way of the street and shall be located at least every 50 feet, as more particularly described below. Trees shall not be planted within a public or private easement. Each lot shall contain at least one tree meeting these requirements. These trees are not "replacement" trees as required under the Manatee County Land Development Code, but rather required "street trees". The number of trees per lot shall be as noted on the attached chart (Page 4).
18. The Lakeside Preserve Homeowners' Association has entered into a Maintenance Agreement with Manatee County for the maintenance of paver bricks that have been installed as a part of the county roads within Lakeside Preserve. A copy of this agreement has been entered into the official association records and may be reviewed upon request.

*A canopy tree shall mean a tree species which produces one main trunk and normally reaches a height of thirty feet or more upon maturity. All canopy trees shall be a minimum of two and one-half inches in caliper at the time of planting, unless otherwise indicated.

EXHIBIT "I"
Page 4 of 4
LOT TREE CHART & COMMON AREA TREES - TOTAL)
LAKESIDE PRESERVE

TABLE I			
LOT #	2.5"	5"	7"
1	3	0	0
2	1	0	0
3	1	0	0
4	1	0	0
5	1	0	0
6	1	0	0
7	4	0	0
8	3	0	0
9	2	0	0
10	1	0	0
11	1	0	0
12	1	0	0
13	1	0	0
14	2	0	0
15	1	0	0
16	4	0	0
17	2	0	0
18	2	0	0
19	1	0	0
20	1	0	0
21	2	0	0
22	3	0	0
23	2	0	0
24	1	0	0
25	3	0	0
26	1	0	0
27	1	0	0
28	1	0	0
29	1	0	0
30	1	0	0
31	2	0	0
32	3	0	0
33	1	0	0
34	2	0	0
35	2	0	0
36	1	0	0
37	2	0	0
38	1	0	0
39	2	0	0
40	2	0	0
41	1	0	0
42	1	0	0
TOTAL	70	0	0

TABLE II			
LOT #	2.5"	5"	7"
43	2	0	0
44	1	0	0
45	2	0	0
46	1	0	0
47	1	0	0
48	1	0	0
49	1	0	0
50	2	0	0
51	2	0	0
52	1	0	0
53	1	0	0
54	1	0	0
55	2	0	0
56	1	0	0
57	4	0	0
58	1	0	0
59	1	0	0
60	1	0	0
61	4	0	0
62	1	0	0
63	1	0	0
64	1	0	0
65	1	0	0
66	4	0	0
67	2	0	0
68	1	0	0
69	2	0	0
70	1	0	0
71	2	0	0
72	6	0	0
73	1	0	0
74	1	0	0
75	1	0	0
76	2	0	0
77	5	0	0
78	1	0	0
79	2	0	0
80	1	0	0
81	1	0	0
82	2	0	0
83	1	0	0
84	2	0	0
TOTAL	72	0	0

TABLE III			
LOT #	2.5"	5"	7"
85	1	0	0
86	2	0	0
87	1	0	0
88	4	0	0
89	1	0	0
90	2	0	0
91	1	0	0
92	2	0	0
93	1	0	0
94	1	0	0
95	2	0	0
96	1	0	0
97	2	0	0
98	1	0	0
99	1	0	0
100	2	0	0
101	1	0	0
102	2	0	0
103	1	0	0
104	2	0	0
105	1	0	0
106	1	0	0
107	2	0	0
108	2	0	0
109	4	0	0
110	1	0	0
111	2	0	0
112	1	0	0
113	1	0	0
114	2	0	0
115	2	0	0
116	2	0	0
117	2	0	0
118	1	0	0
119	1	0	0
120	2	0	0
121	1	0	0
122	1	0	0
123	1	0	0
124	1	0	0
125	2	0	0
126	1	0	0
TOTAL	65	0	0

TABLE IV			
LOT #	2.5"	5"	7"
127	1	0	0
128	2	0	0
129	2	0	0
130	1	0	0
131	1	0	0
132	2	0	0
133	1	0	0
134	1	0	0
135	1	0	0
136	2	0	0
137	3	0	0
138	1	0	0
139	2	0	0
140	1	0	0
141	2	0	0
142	1	0	0
143	2	0	0
144	1	0	0
145	2	0	0
146	1	0	0
147	1	0	0
148	2	0	0
149	1	0	0
150	2	0	0
151	1	0	0
152	3	0	0
153	4	0	0
154	2	0	0
155	2	0	0
156	1	0	0
157	2	0	0
158	1	0	0
159	2	0	0
TOTAL	54	0	0

TABLE V			
LOT #	2.5"	5"	7"
160	1	0	0
161	4	0	0
162	1	0	0
163	2	0	0
164	1	0	0
165	2	0	0
166	2	0	0
167	2	0	0
168	2	0	0
169	1	0	0
170	1	0	0
171	1	0	0
TOTAL	20	0	0

COMMON AREA TOTAL

	LIVE OAK 2.5"	LIVE OAK 3"	QUEEN PALM	SLASH PINE 3 GAL	SLASH PINE 12'
LOT TABLE I TOTAL	70	0	0	0	0
LOT TABLE II TOTAL	72	0	0	0	0
LOT TABLE III TOTAL	65	0	0	0	0
LOT TABLE IV TOTAL	54	0	0	0	0
LOT TABLE V TOTAL	20	0	0	0	0
TOTAL*	281	316	39	32	27

*Proposed trees may utilize Live Oak, Slash Pine, Magnolia, or Red Cedar at the same caliper listed above. Trees must be at minimum Florida No. 1 grade.

**FIRST AMENDMENT TO DECLARATION OF RESTRICTIONS AND COVENANTS
FOR LAKESIDE PRESERVE**

THIS FIRST AMENDMENT is made this the 24th day February, 2010, by LAKESIDE PRESERVE HOMEOWNERS' ASSOCIATION, INC., a Florida not-for-profit corporation, herein referred to as the "Association", whose mailing address is in c/o RealManage, LLC; 4902 Eisenhower Boulevard, Suite 216; Tampa, Florida 33634

WITNESSETH:

WHEREAS, K. HOVNIANIAN WINDWARD HOMES, LLC, as the Developer heretofore imposed certain covenants, conditions and restrictions upon real property located in Manatee County, Florida, by virtue of that certain Declaration of Restrictions and Covenants for Lakeside Preserve, as recorded in O.R. Book 2116, Page 0094, Public Records of Manatee County, Florida, together with any amendments thereto (herein collectively called the "Declaration"); and

WHEREAS, pursuant to Paragraph 4.2 of the Declaration, as amended, the Declaration may be amended by Developer prior to turnover without joinder or consent of any person or entity whatsoever; and

NOW, THEREFORE, the Developer hereby amends the Declaration as follows:

1. The recitals set forth above are true and correct and are incorporated herein by reference.
2. Paragraph 12.2 is hereby amended as follows (~~deletions are struck through~~, new items are underlined).

12.2 Animals No animals, livestock, or poultry or pets of any kind shall be raised, bred or kept within Lakeside Preserve, except that Owners may keep domestic pets as permitted by Manatee County ordinances up to a limit of three (3) such pets and further that they are not kept, bred, or maintained for any commercial purposes. ~~Other than vicious breeds such as Pit Bulls, Rottweillers, Doberman Pinchers, "wolf hybrids" or mixed breeds containing these breeds, and/or uninsurable pets (e.g., pets that create policy coverage exclusions under insurance policies purchased by the Association or pets that cause increases insurance policy premiums under insurance policies purchased by the Association), Owners may keep domestic pets as permitted by this Declaration. Notwithstanding the foregoing, pets~~ Pets may be kept or harbored in a Home only so long as such pets or animals do not constitute a nuisance or cause unsanitary conditions. For the purposes of this Section 12.2, pets shall be deemed to constitute a nuisance if they create excessive or disturbing noises, whether by barking or otherwise, or if the pet has shown any violent or aggressive behavior or otherwise poses a danger to the health, safety, or welfare of any person. Animals that have attacked or bitten any person or another person's pet shall constitute a nuisance and shall not be kept on any Home. The foregoing expression of specific behaviors that shall constitute a nuisance shall in no way limit the determination that other behaviors also constitute a nuisance. Any pet in violation of this section shall be brought into compliance with twenty-four (24) hours of notice by the Board, including but

not limited to, the removal of the pet from Lakeside Preserve if the pet has attacked or bitten a person or other person's pet. Maintenance and keeping of pets within Lakeside Preserve and in any residence may be otherwise regulated in any manner, consistent herewith, by Association Rules as may from time to time be established by the Board of the Association. All pets shall be walked on a leash. No pet shall be permitted outside a Home unless such pet is kept on a leash or within a fenced yard of a Home. For the purposes of this Section 12.2, invisible electronic fences are not deemed to be fences in compliance herewith and dog runs or enclosures shall NOT be permitted on any Home. No pet or animal shall be "tied out" on the exterior of the Home or in the Common Areas, or left unattended in a yard or on a balcony, porch, or patio. All pets shall defecate only in the "pet walking" areas within Lakeside Preserve designated for such purpose, if any, or on that Owner's Home. The person walking the pet or the Owner shall clean up all matter created by the pet. Each Owner shall be responsible for the activities of its pet. Notwithstanding anything to the contrary, seeing-eye dogs shall not be governed by the restrictions contained in this Section.

IN WITNESS WHEREOF, the undersigned corporation has caused this Amendment to the Declaration of Restrictions and Covenants, to be executed by its duly authorized officer as of the day and year first written above. These amendments shall take effect upon filing.

Signed, sealed and delivered

in the presence of:

Printed Name: Kevin Cross

Printed Name: Soraya Henwon

By: Paul H. Corace
Paul H. Corace
Vice-President

STATE OF FLORIDA
COUNTY OF Hillsborough

The foregoing instrument was acknowledged before me this 24 day of February, 2010, by Paul H. Corace, Vice-President, of the K. HOVNANIAN WINDWARD HOMES, LLC, on behalf of the corporation. He is known to me or produced _____ as identification.

Jennifer Hagerman
Notary
Name and Commission Number:

Prepared by and return to:
Antonio Duarte, III
Attorney at Law
6221 Land o' Lakes Blvd.
Land o' Lakes, Florida 34638



SECOND AMENDMENT TO DECLARATION OF RESTRICTIONS AND COVENANTS FOR LAKESIDE PRESERVE

THIS SECOND AMENDMENT is made this the 30th day April, 2010, by LAKESIDE PRESERVE HOMEOWNERS' ASSOCIATION, INC., a Florida not-for-profit corporation, herein referred to as the "Association", whose mailing address is in c/o RealManage, LLC; 4902 Eisenhower Boulevard, Suite 216; Tampa, Florida 33634

WITNESSETH:

WHEREAS, K. HOVNANIAN WINDWARD HOMES, LLC, as the Developer heretofore imposed certain covenants, conditions and restrictions upon real property located in Manatee County, Florida, by virtue of that certain Declaration of Restrictions and Covenants for Lakeside Preserve, as recorded in O.R. Book 2116, Page 0094, Public Records of Manatee County, Florida, together with any amendments thereto (herein collectively called the "Declaration"); and

WHEREAS, pursuant to Paragraph 4.2 of the Declaration, as amended, the Declaration may be amended by Developer prior to turnover without joinder or consent of any person or entity whatsoever; and

NOW, THEREFORE, the Developer hereby amends the Declaration as follows:

1. The recitals set forth above are true and correct and are incorporated herein by reference.
2. Paragraph 11.7 is hereby added as follows (~~deletions are struck through~~, new items are double underlined).

11.7 Sidewalk installation. Pursuant to Manatee County Ordinance 09-24, each Lot in Lakeside Preserve is required to have a sidewalk installed within the public road right-of-way or easement adjacent to such Lot pursuant to the approved construction drawings for Lakeside Preserve. The Owner of the Lot shall be responsible for the installation of such sidewalk. These sidewalks shall be installed within the right-of-way or easement as applicable, as set forth in Manatee County rules and regulations. Installation of the sidewalks shall occur prior to the issuance of a Certificate of Occupancy for each Lot.

IN WITNESS WHEREOF, the undersigned corporation has caused this Amendment to the Declaration of Restrictions and Covenants, to be executed by its duly authorized officer as of the day and year first written above. These amendments shall take effect upon filing.

Signed, sealed and delivered in the presence of:

[Signature]
Printed Name: Paul H. Corace

By: [Signature]
Paul H. Corace
Vice-President

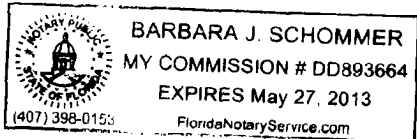
Printed Name: MARGARITA ROSS
[Signature]

STATE OF FLORIDA
COUNTY OF HILLSBOROUGH

The foregoing instrument was acknowledged before me this 30th day April, 2010, by Paul H. Corace, Vice-President, of the K. HOVNANIAN WINDWARD HOMES, LLC, on behalf of the corporation. He/She is known to me or produced _____ as identification.

[Signature]
Notary
Name and Commission Number:

Prepared by and return to:
Antonio Duarte, III
Attorney at Law
6221 Land o' Lakes Blvd.
Land o' Lakes, Florida 34638



Prepared by and return to:
Kevin T. Wells, Esq.
The Law Offices of Kevin T. Wells, P.A.
1800 Second Street, Suite 808
Sarasota, Florida 34236
(941) 366-9191 (Telephone)
(941) 366-9292 (Facsimile)

CERTIFICATE OF AMENDMENT

**DECLARATION OF RESTRICTIONS AND COVENANTS
FOR
LAKESIDE PRESERVE**

We hereby certify that the attached amendments to the Declaration of Restrictions and Covenants for LAKESIDE PRESERVE, a Subdivision, was approved and adopted at the special membership meeting of LAKESIDE PRESERVE HOMEOWNERS' ASSOCIATION, INC. (herein, the "Association") held on April 24 2013, by the affirmative vote of not less than sixty-six and two-thirds percent (66-2/3%) of the Board and seventy-five percent (75%) of all of the votes present (in person or by proxy) at the meeting at which a quorum is present, as required by Article 4.3 of the Declaration of Restrictions and Covenants. The Association further certifies that the amendment was proposed and adopted as required by the governing documents and applicable law.

The Declaration of Restrictions and Covenants is originally recorded at Official Records Book 2116, Page 0094 et seq. of the Public Records of Manatee County, Florida.

DATED this 29th day of APRIL, 2013.

Signed, sealed and delivered in the presence of :

LAKESIDE PRESERVE HOMEOWNERS' ASSOCIATION, INC.

Sign: Linda L. Rydzynski

By: Dennis W. Rydzynski Sr.
Dennis Rydzynski, Sr. President

Print: Linda L. Rydzynski

Sign: Rita Sanders

Print: RITA SANDERS

Attest:

Sign: Dennis W. Rydzynski Sr.

By: Linda Jackson
Linda Jackson, Secretary

Print: Dennis W. Rydzynski Sr.

Sign: Rita Sanders

[Corporate Seal]

Print: RITA SANDERS

STATE OF FLORIDA
COUNTY OF MANATEE

The foregoing instrument was acknowledged before me this 29TH day of APRIL, 2013, by Dennis Rydzynski, Sr., as President of LAKESIDE PRESERVE HOMEOWNERS' ASSOCIATION, INC., a Florida corporation, on behalf of the corporation. He is personally known to me or has produced _____ as identification.



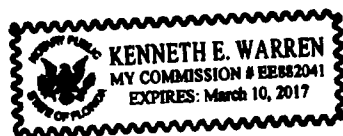
NOTARY PUBLIC

Sign: *Kenneth E. Warren*

Print: KENNETH E. WARREN
State of Florida at Large (Seal)
My Commission expires:

STATE OF FLORIDA
COUNTY OF MANATEE

The foregoing instrument was acknowledged before me this 29TH day of APRIL, 2013, by Linda Jackson as Secretary of LAKESIDE PRESERVE HOMEOWNERS' ASSOCIATION, INC., a Florida corporation, on behalf of the corporation. She is personally known to me or has produced _____ as identification.



NOTARY PUBLIC

Sign: *Kenneth E. Warren*

Print: KENNETH E. WARREN
State of Florida at Large (Seal)
My Commission expires:

AMENDMENTS

**DECLARATION OF RESTRICTIONS AND COVENANTS
FOR
LAKESIDE PRESERVE**

[Additions are indicated by underline.]

12. USE RESTRICTIONS.

...
12.22 Leases. Homes may be leased, licensed or occupied only in their entirety and no fraction or portion may be rented. No bed and breakfast facility may be operated out of a Home. Individual rooms of a Home may not be leased on any basis. No transient tenants may be accommodated in a Home.

...
12.22.1 Lease Requirements. All leases or occupancy agreements of Homes (collectively, "Lease Agreements") are subject to the following provisions:

...
12.22.1.12 Twenty-Four (24) Month Lease Prohibition. In order to discourage investment owners and better protect the single family residential character of the Lakeside Preserve community, owners who take title to a Lot after this amendment to Article 12 is recorded in the Official Records shall not lease their Home during the first twenty-four (24) months of lot ownership, with the time period commencing upon the recording of the deed or other document transferring an ownership interest in the Lot. If the Association brings a legal action to terminate a lease and/or evict a tenant, it shall be acting as the authorized agent of the Owner and, if the Association prevails, it shall recover its costs and reasonable attorney's fees, jointly and severally, from the Owner and the tenant(s).