

varying improvements on said Lots or, alternatively, to independently construct varying improvements on said Lots; and

WHEREAS, the Declarant has deemed it desirable for the efficient preservation of the values and amenities within the Property to create a homeowners' association which shall be delegated and assigned the powers of maintaining and administering certain designated Common Areas and other facilities within the Property, which areas, where applicable, shall be specifically designated on the plat or plats of the Property; administering and enforcing this Declaration; and collecting and disbursing the assessments and charges hereinafter created; and

WHEREAS, Declarant shall incorporate under the laws of the State of Florida, a non-profit corporation to be known as **REGENCY PLACE HOMEOWNERS ASSOCIATION, INC.** (hereinafter referred to as the "Association"), for the purpose of exercising the functions aforesaid:

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

ARTICLE I DEFINITIONS

Section 1. The following words and terms when used in this Declaration (unless contents hereof clearly indicate to the contrary) shall have the following meanings:

Section 1.1. "Architectural Review Committee" or "ARC" shall mean an architectural review committee appointed in accordance with Article VI hereof, whose duties shall be as set forth in Article VI hereof.

Section 1.2. "Articles of Incorporation" shall mean the articles of incorporation of the Association, a copy of which is attached hereto as Exhibit "B" and by this reference incorporated herein. During such time as there exists Class B Membership (as hereinafter defined) the Articles of

Incorporation may not be amended without the prior written approval of the Federal Housing Administration ("FHA") and Veterans Administration ("VA").

Section 1.3. "Association" shall mean and refer to REGENCY PLACE HOMEOWNERS ASSOCIATION, INC., a Florida corporation not for profit, its successors and assigns.

Section 1.4. "Board of Directors" shall mean the board of directors of the Association.

Section 1.5. "Builder" shall mean and refer to the purchasers of developed Lots from Declarant for the purpose of constructing Dwelling Units thereon.

Section 1.6. "Bylaws" shall mean the bylaws of the Association, a copy of which is attached hereto as Exhibit "C" and by this reference incorporated herein.

Section 1.7. "County" shall mean Polk County, a political subdivision of the State of Florida.

Section 1.8. "Declarant" shall mean Arden Estates-Davenport Limited Partnership, a Florida Limited Partnership, and its express successors and assigns, designated as set forth in Article XI, Section 7, hereof. all rights, powers and privileges granted to the Declarant by this Declaration or by the Articles of Incorporation and Bylaws of the Association shall be exercised the Declarant in such manner as it may determine.

Section 1.9. "Dedicated Areas" shall mean all real property, including the improvements thereon, owned by a governmental entity or dedicated to the public for public use.

Section 1.10. "Dwelling Unit" shall mean and refer to any building or portion thereof constructed on a Lot and intended for use and occupancy as a Rental Unit, Short Term Rental Unit or as a residence by a single family or rental purposes and susceptible to ownership in fee simple as to which Dwelling Unit a certificate of occupancy has been issued by the applicable governmental authorities.

Section 1.11. "Common Area" shall mean all real property, including the improvements thereon, owned or which may subsequently be owned by the Association for the common use and enjoyment of the Members of the Association, whether acquired by purchase or conveyance from the Declarant, its successors or assigns, by dedication on a plat or plats of the Property, or otherwise. All Common Area shall be acquired by or conveyed to the Association free and clear of all liens. The Common Area shall be identified by tract on the plat or plats of the Property, and shall be subject to the dedications set forth on each plat. The term "Common Area" shall also include: (i) any tangible or intangible personal property acquired by the Association, (ii) any screening wall and landscape buffer area, (iii) any and all streets, street lighting and surface water or stormwater management system, and (iv) any other property or other areas which might require maintenance or care by the Association. All Common Area is to be maintained by Association and devoted to and intended for the common use and enjoyment of the Members of the Association, their families, invitees, guests, and persons occupying Dwelling Units (as hereinafter defined) on a guest or tenant basis, to the extent designated on recorded plats or authorized by the Board of Directors of the Association.

Section 1.12. "Lot" shall mean and refer to any plat or parcel of land shown upon a recorded subdivision plat of all or a portion of the Property which Lot is intended to have a Dwelling Unit construction thereon provided, however, that there shall be excluded from the definition of Lot, the Common Area, Dedicated Areas, streets, and all lands owned by the Association.

Section 1.13. "Member" shall mean and refer to any Owner who is a member of the Association.

Section 1.14. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot, which is a part of the Property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 1.15. "Property" shall mean and refer to the real property described in Exhibit "A" attached hereto and any additional land which

Declarant may from time to time subject to the terms and conditions of this Declaration in accordance with the terms thereof.

Section 1.16. "Rental Unit" shall mean and refer to a Dwelling Unit which is being leased or rented for a term of thirty-one (31) days or more.

Section 1.17. "Short Term Rental" shall mean and refer to Transient Occupancy of a Dwelling Unit for a term of thirty (30) days or less.

Section 1.18. "Short Term Rental Unit" shall mean and refer to a Dwelling Unit which is being leased or rented to Transients for a term of thirty (30) days or less and/or which may be regularly rented to Transients or held out or advertised to the public as a place regularly rented to Transients.

Section 1.19. "Surface Water or Stormwater Management System" means a system which is designated and constructed or implemented to control discharges which are necessitated by rainfall events, incorporating methods to collect, convey, store, absorb, inhibit, treat, use or reuse water to prevent or reduce flooding, overdrainage, environmental degradation, and water pollution or otherwise affect the quantity and quality of discharges.

Section 1.20. "Transient" shall mean and refer to a guest in Transient Occupancy.

Section 1.21. "Transient Occupancy" shall mean and refer to occupancy when it is the intention of the parties that the occupancy or use will be temporary and of unrestricted duration (i.e. no minimum or maximum rental or lease periods).

ARTICLE II ANNEXATION OF ADDITIONAL PROPERTY

Section 1. Annexation by Declarant. Portions of land (either for residential use or common area) may be annexed to the Property at the sole discretion of Declarant. Except for applicable governmental approvals, no consent from any other party shall be required, including Class A Members and holders of mortgages encumbering any portion of the Property. Such annexed lands shall be brought within the terms and conditions of this Declaration by the recording of a document executed by Declarant and

recorded in the Public Records of Polk County, Florida (the "Notice of Declaration"). The Notice of Declaration shall refer to this Declaration and shall, unless specifically provided otherwise, incorporate by reference all of the terms, covenants and conditions of this Declaration, thereby subjecting said annexed lands to such terms, covenants and conditions as fully as though said annexed lands were described herein as a portion of the Property. The Notice of Declaration may contain such additions or modifications of the covenants and restrictions contained in this Declaration as may be necessary to reflect the different character, if any, of the annexed land, and as are not inconsistent with the overall scheme of this Declaration. Except for additions or modifications that are specifically intended to modify this Declaration, no Notice of Declaration shall revoke, modify or amend the covenants and restrictions established by this Declaration.

Section 2. Annexation by Members. At such time as Class B membership has ceased pursuant to the provisions of this Declaration, additional residential property and common area may be annexed to the Property with the consent of two-thirds (2/3) of the then existing Members. Any land so annexed shall be subject to the general plan theretofore approved by FHA or VA.

ARTICLE III EASEMENTS RESERVED TO DECLARANT AND OTHERS; PROPERTY RIGHTS

Section 1. Easements for Construction and Sales. There is reserved to the Declarant, and granted to the Builders, and their respective designees, successors and assigns, (including, without limitation, their agents, sales agents, and representatives, and prospective purchasers of Lots), non-exclusive easements over the Common Area, for construction, utility lines, display, maintenance and exhibit purposes in connection with the erecting of improvements and sale of Lot and Dwellings Units within the Property and for ingress and egress to and from construction sites at reasonable time; provided, however, that such use shall terminate upon the later of (i) the sale of all Lots by the Declarant or (ii) the sale of all Dwelling Units by the Builders and their express successors and assigns; and provided, further that no such use by the Declarant and/or the Builders and others shall otherwise

restrict the Owners in the reasonable use and enjoyment of the Common Area.

Section 2. Easements Over Common Areas. To the extent that easements over, upon or under the Common Area are necessary so as to provide utility services to the Property, the Association and each Owner, and his heirs, successors and assigns, do hereby designate and appoint the Declarant as agent and attorney-in-fact, which is coupled with an interest, with full power in his name, place and stead, to execute instruments creating such easements; provided, however, that such easements shall not unreasonably interfere with the use by the Owners of the Common Area. For this purpose, the Declarant shall have the right to grant easements in perpetuity over, under and across all Common Areas shown on any recorded subdivision plats of all or portions of the Property, together with the right to grant easements to others and such easements shall include, but shall not be limited to, the right to use the said Common Area to erect, maintain and use electric and telephonic poles, wires, cables, conduits, sewers, water mains and other suitable equipment for the conveyance and use of electricity, telephone equipment, gas, sewer, cable television, water or other public convenience or utilities and drainage and the right to cut any trees, bushes or shrubbery, make any gradings of the soil or take any similar action reasonably necessary to provide economical and safe public convenience or utility installation or to provide for drainage and to maintain reasonable standards of health, safety and appearance and the right to locate wells, pumping stations and tanks. The rights granted to the Declarant pursuant to this section shall terminate upon the later of (i) the sale of all Lots by the Declarant, or (ii) the sale of all Dwelling Units by the Builders and their express successors and assigns.

Section 3. Easement over Lots. For so long as Declarant is the owner of any Lot, the Declarant hereby reserves unto itself the right to grant easements to itself or any other entity over each such Lot owned for purposes of ingress and egress, to include driveways common to two (2) or more Lots, drainage, utility, gas, telephone, cable TV and electrical services. With respect to easements thus granted the Declarant shall have and does hereby retain and reserve the right to release the Lot from the encumbrance of such easements; provided, however, that Declarant shall not have the power to release any portion of a utility easement on a Lot without the consent of the utilities served thereby.

Section 4. Easements as Shown on Plat. Easements for access, installation and maintenance of utilities, drainage facilities, screening walls, and landscape buffer areas and reserved to the Association as shown on the recorded plat or plats of the Property. Within such easements, no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of drainage channels in such easements, or which may obstruct or retard the flow of water through the drainage channels or which may be inconsistent with such plans for sidewalks, landscape buffer areas and screening walls as may now or hereafter be approved by the County. The platted easement areas of each Lot, any drainage swales on a Lot and all improvements therein shall be maintained continuously by the Owner of such Lot, except for: a.) those improvements for which a public authority or utility company is responsible; and b.) those improvements for which the Association shall have expressly assumed responsibility.

Section 5. Screening Wall and Landscape Buffer Easements. There is hereby reserved and granted to the Declarant, the Builders and the Association and their respective agents, employees, successors and assigns the right and privilege to construct, improve, repair, replace and maintain (which maintenance obligation is the responsibility of the Association) a screening wall and landscape buffer area over, upon and across the portion of the Property designated on the plat or plats of the Property as "Screening Wall and Landscape Buffer Area" (hereinafter, "the Screening Wall and Landscape Buffer Area"). The Declarant, the Builders and the Association and their respective successors, agents, employees and assigns further reserve and are hereby granted an easement along the perimeter of the Lots contiguous to the Screening Wall and Landscape Buffer Area for the purpose of ingress and egress to and from the Screening Wall and Landscape Buffer Area, provided that such easement shall not restrict any Owner in the reasonable use and enjoyment of his Lot.

Section 6. Owner's Easement of Enjoyment for Common Area. Every Owner shall have a nonexclusive right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

- a. Subject to the provisions of Section 6(b) below, every Owner shall have a right to use any of the common facilities owned by the Association.

- b. The right of the Association to suspend the voting rights and right to the use of any common facilities by an Owner for any period during which any assessment against his Lot remains unpaid, and for a period not to exceed sixty (60) days from any infraction of its published rules and regulations.
- c. The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members of the Association. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer is approved by a two-thirds (2/3) vote of each class of the Members.

Section 7. Delegation of Use of Common Areas. Any Owner may delegate, in accordance with the Bylaws, his right or enjoyment to the Common Area and facilities to the members of his family, his tenants or contract purchasers who reside on the Property whether on a permanent or transient basis.

Section 8. Surface Water or Stormwater Management System. The Association shall have a perpetual non-exclusive easement over all areas of the surface water or stormwater management system for access to operate, maintain or repair the system. By this easement, the Association shall have the right to enter upon any portion of any Lot which is a part of the surface water or stormwater management system, at a reasonable time and in a reasonable manner to operate, maintain or repair the surface water or stormwater management system as required by the South Florida Water Management District permit. Additionally, the Association shall have a perpetual non-exclusive easement for drainage over the entire surface water or stormwater management system. No person shall alter the drainage flow of the surface water or stormwater management system, including buffer areas or swales, without the prior written approval of the South Florida Water Management District and Polk County, Florida.

The Association shall be responsible for the maintenance, operation and repair of the surface water or stormwater management system. Maintenance of the surface water or stormwater management

system(s) shall mean the exercise of practices which allow the systems to provide drainage, water storage, conveyance or other surface water or stormwater management capabilities as permitted by the South Florida Water Management District. Any repair or reconstruction of the surface water or stormwater management system shall be as permitted or, if modified, as approved by the South Florida Water Management District and Polk County Florida.

Section 9. Establishment of Easements. All easements as provided for in this Article, shall be established by one or more of the following methods, to wit:

- a. By a specific designation of an easement on the recorded plat of all or a portion of the Property.
- b. By a reservation or specific statement providing for an easement in the deed of conveyance of a given Lot or Dwelling Unit, or other portion of the Property.
- c. By a separate instrument referencing this Article III: or
- d. By virtue of the reservation of rights set forth in this Article.

ARTICLE IV MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. Every Owner of a Lot which is subject to assessment shall be a Member of the Association, and agrees to be bound by the terms and conditions stated herein regarding said Association, including the payment of annual Assessments of the Association; provided that any such person or entity who holds such interest merely as security for the performance of an obligation shall not be a Member. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 2. Voting Rights. The Association shall have two (2) classes of voting Membership.

Class A. Class A Members shall be all Owners, with the exception of the Declarant and the Builders and shall be entitled to One (1) vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be Members. The vote for such Lot shall be exercised as they determine, but in no event shall more than (1) vote be cast with respect to any Lot.

Class B. The Class B Members shall be the Declarant and the Builders and they shall be entitled to six (6) votes for each Lot owned by them. The Class B Membership shall cease and be converted to Class A Membership on the happening of either of the following events, whichever occurs earlier:

- a. when the total votes outstanding in the Class A Membership equals the total votes outstanding the Class B Membership;
or
- b. January 1, 2004.

From and after the happening of these events, whichever occurs earlier, the Class B Members shall be deemed Class A Members entitled to one (1) vote for each Lot in which they hold the interest required for Membership under Article IV, Section 1 hereof.

ARTICLE V COVENANTS FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. Each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed is deemed to covenant and agree to pay to the Association: (1) Annual assessments or charges, and (2) Special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs and reasonable attorney's fees incurred in enforcing or collecting any assessment, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made; provided, however, no such assessment shall be a lien on the land until such lien is recorded in the Public Records of Polk County, Florida. Each such assessment, together with interest, costs and

reasonable attorney's fees, shall also be the joint and several personal obligation of the person(s) who was the Owner of such property at the time when such assessment fell due. Their personal obligation for delinquent assessments shall not pass to any successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the following purposes:

- a. to promote the recreation, health, safety and welfare of the residents in the Property.
- b. for the improvement, maintenance and operation of Common Area, including, but not limited to entry features, open spaces, buffer areas, walls and landscaping (including irrigation thereof);
- c. for the improvement, maintenance and operation of any public property which shall be subject to any use agreement with Polk County or any other governmental authorities;
- d. for the payment of the operating expenses of the Association;
- e. for the payment of taxes, insurance labor and equipment;
- f. for the maintenance, repair or restoration of a Lot and the exterior of buildings and any other improvements erected thereon, but only to the extent provided for in Section p7(b) of Article V hereof;
- g. for the repayment of funds and interest thereon that have been or may be borrowed by the Association for any of the purposes set forth herein;
- h. to establish and fund reserve accounts which the Association may choose to establish with respect to the maintenance, operation and improvement of the Common Areas and all improvements and equipment located thereon;
- i. doing any other things necessary to desirable in the judgment of the Association to keep the community neat and attractive or to

preserve or enhance the value of the Property, or to eliminate fire, health or safety hazards.

- j. Assessments shall also be used for the maintenance and repair of the surface water or stormwater management systems including but not limited to work within retention areas, drainage structures and drainage easements.
- k. Pay for the basic cable provided by Time Warner Cable, its successors, assigns or subsidiaries. The assessment shall not be used for activation, installation, upgrades, pay-per-view or any rental of boxes or remote controls, premium channels.

Section 3. Maximum Annual Assessment. Until January 1st of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment by the Association shall be \$500.00 per Lot.

- a. From and after January 1st of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased by ten percent (10%) above the maximum assessment for the previous year without a vote of the membership.
- b. From and after January 1st of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased above ten percent (10%) of the maximum assessment for the previous year by a vote of two-thirds (2/3) of each class of Members who are voting in person or by proxy, at a meeting duly called for this purpose.
- c. The Board of Directors may, at its option, levy the annual assessment at an amount less than but not in excess of the maximum annual assessment, or may levy the annual assessment in the amount of the maximum.

Section 4. Initiation Fees. Upon the closing of the sale of a lot, the buyer (or Owner) of such Residence shall pay to the Association an amount equal to FIFTY DOLLARS (\$50.00) plus the prorated balance of the annual dues for the year of closing, which amount shall be maintained in an account

by the Association for the use and benefit of the Association. Said amount shall not be considered as advance payment of annual Assessments.

Section 5. Special Assessments for Capital Improvements and Other Purposes. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, special assessments applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto or for any of the purposes stated in Article V, Section 2, hereof, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of Members who are voting in person or by proxy at a meeting duly called for such purpose.

Section 6. Notice and Quorum for an Action Authorized Under Sections 3 and 5. Written notice of any meeting called for the purpose of taking any action under Sections 3(b) and 5 above shall be sent to all Members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast a majority of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 7. Uniform Rate of Assessment.

- a. Annual and Special Assessments. Both annual and special assessments must be fixed a uniform rate fore all Lots, except that as long as there is Class "B" membership, the Declarant and Builders will have the following options with respect to the annual assessment:
 1. Option (1). The Declarant and builders may pay the annual assessment at the rate of ten percent (10%) of the rate fixed for Class "A" membership on all unoccupied Lots owned by the Declarant and/or Builders and in addition, pay the difference, if any, between the total annual operating expenses of the

Association and the amount of the annual assessments required to be paid pursuant to this Article; or

2. Option 2. The Declarant and Builders may pay the full rate of annual assessment at which time the obligation to pay the difference between expenses and annual assessment will cease.
- b. Single Lot Special Assessments. In addition to the annual and special assessments authorized herein, the Association may levy in the manner hereinafter set forth a Single Lot Special Assessment applicable only to a specific Lot that has failed to meet its maintenance obligations set forth in Article VII hereof. In the event an Owner of any Lot in the Property shall fail to maintain his lot and the exterior improvements situated thereon in accordance with the maintenance obligations set forth in Article VII hereof, then the Association, after approval by two-thirds (2/3) vote of the Board of Directors and thirty (3) days' written notice to the Owner, shall have the right, through its agent and employees to enter upon said Lot and to repair, clear, trim, maintain and restore the Lot and the exterior of the buildings and any other exterior improvements erected thereon. The cost of such Lot clearing and exterior maintenance shall be added to and become part of the assessment to which such Lot is subject, and which shall be due and payable thirty (3) days from the date said assessment is made. Such Single Lot Special Assessment shall be treated as a special assessment and the Association shall have all rights and powers of collection as provided in this Article. The provisions of Sections 5 and 7(a) of this Article shall not be applicable to any Single Lot Special Assessment.

Section 8. Date of Commencement of Annual Assessments: Due Dates. The annual assessments provided for herein shall commence as to all Lots on the first day of the month following the conveyance or dedication of the Common Area to the Association; provided, however, that Declarant may elect to defer the commencement of the annual assessments in which case the Declarant and the Builders shall be obligated to pay all expenses incurred by the Association during the period of deferment. Association expenses during any such deferment period shall be paid monthly by the Declarant and the Builders on a prorata basis based on the total number of Lots owned by them during each such monthly deferment period. The first

annual assessment shall be adjusted according to the number of months remaining the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period in an amount not in excess of the maximum annual assessment set forth in Section 3 above. Written notice of the annual assessment shall be sent to every Owner subject thereto. An invoice from the Association shall constitute satisfactory written notice. The due dates shall be established by the Board of Directors. The Association shall, upon demand and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed Certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

Section 9. Effect of Nonpayment of Assessments; Remedies of the Association. If any assessments are not paid on the date when due, then said assessments shall become delinquent and shall together with such interest thereon and cost of collection thereon as hereinafter provided, thereupon become a continuing lien on the Lot which shall bind such Lot in the hands of the then Owner, his heirs, devisees, personal representatives, and assigns. The personal obligations of the then Owner to pay such assessments, however, shall remain his personal obligation for the statutory period and shall also pass to his successors in the title, or unless the Association causes alien to be recorded in the Public Records giving notice to all persons that the Association is asserting a lien upon the Lot. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of his Lot.

If the assessment is not paid within thirty (30) days after the delinquency date, the assessment shall bear interest from the date of delinquency at the rate of eighteen (18%) per annum (unless said interest rate is determined to be a violation of Florida Statute), and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Lot and there shall be added to the amount of such assessment the interest above stated, the cost of the action, including reasonable attorneys' fees whether or not judicial proceedings are involved, and including reasonable attorneys' fees and costs incurred on any appeal of a lower court decision.

Section 10. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first Mortgage. The sale or transfer of any Lot pursuant to Mortgage foreclosure or any proceeding in lieu thereof shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessment thereafter becoming due or from the lien thereof.

Section 11. Exempt Property. The following property subject to this Declaration shall be exempt from assessments, charges and liens created herein: (i) all property to the extent of any easement or other interest therein dedicated and accepted by local public authority and devoted to public use; (ii) all Common Areas, Conservation Areas and Dedicated Areas; (iii) all property exempt from taxation by the laws of the State of Florida, upon the terms and to the extent of such legal exemptions; and (iv) all property owned by the Association. Notwithstanding any provision herein, no land or improvements devoted to dwelling use shall be exempt from said assessments, charges or liens.

ARTICLE VI ARCHITECTURAL CONTROL

Section 1. Review by Architectural Review Committee. No building or modification or addition thereto, fence, wall, pool, landscaping or other structure shall be commenced, constructed, erected, or maintained upon any Lot, nor shall any exterior addition to or change or alteration therein be made to the Lot or Dwelling Unit unless it is in compliance with the applicable governmental regulations and unless and until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Architectural Review Committee.

Section 2. Procedure for Review. Any Owner needing the approval of the ARC shall deliver an application or request for action to the ARC by certified mail with return receipt requested or by hand delivery with signed receipt, together with a floor plan, landscaping plan, site plan and abbreviated specifications, including exterior material and colors. As soon

as reasonably possible, but not later than thirty (30) days after receipt, the ARC shall indicate its approval or disapproval of the matters required to be acted upon by them by a written instrument, and served personally or by certified mail upon the Owner and all interested parties, identifying the proposed building or structure and either stating approval or giving and making recommendations for changes to gain approval. In the event the ARC takes no action the application or request within the thirty (30) day period, then the application or request shall be deemed to be approved.

Section 3. Composition of Architectural Review Committee.

- a. The ARC shall have three (3) members who shall initially be appointed by the Declarant. The members appointed to the ARC do not need to be Owners. So long as the Declarant and/or the Builders maintain a controlling vote of the Membership of the Association under the terms of Article IV hereof, the Declarant shall be entitled to appoint all members of the ARC and any successor members; provided, however, the Declarant shall at any time have the right to waive its right to appoint the members of the ARC. The members of the ARC shall be appointed for staggered three (3) year terms; provided, however, the initial members of the ARC appointed by the Declarant shall serve so long as Declarant has the right to appoint all members of the ARC. In the event of death, resignation, inability to serve, or other vacancy in office of any member of the ARC, the Declarant shall promptly appoint a successor member of the ARC who shall serve at the pleasure of the Declarant.

- b. After the end of the term during which the Declarant may appoint all the members of the ARC, a majority of the Owners of Lots on the Property shall have the right to appoint the members of the ARC. The owners shall so appoint the members of the ARC by ballot after ten (10) days written notice given by the then existing ARC that the Owners have the right to appoint member. Failure by any Owner to vote on membership of the ARC shall not in any way affect the validity of the appointment of a member to the ARC. The first ARC appointed by the Owners shall have three (3) members, one with a term of One (1) year, one with a term of two (2) years

and one with a term of three (3) years. Each year thereafter the ARC shall provide a ten day written notice to the Owners of the Lots on the Property of the need to elect a new ARC member upon expiration of the term of a then existing ARC member. No meeting shall be required for the initial appointment of members to the Arc by the Owners or for any subsequent election and person receiving the largest number of votes shall be elected to serve for a three year term. The written notice from the ARC to the Owners shall include a ballot and shall set forth a deadline for voting no sooner than fifteen (15) days from the date the notice is mailed to the Owners. There shall be only one (1) vote per Lot cast, regardless of the number of Owners of a particular Lot, and the Owners of a Lot shall designate among themselves who shall cast their vote. Failure to so select, or the casting of more than one (1) vote in a particular election for any given Lot shall eliminate the right of the Owners of a given Lot to vote in that election. All votes cast by Owners shall be kept for a minimum of three (3) years and shall be available for inspection upon demand made by any Owner.

Section 4. Powers. The Architectural Review Committee shall have the following duties and powers.

- a. To review and approve or disapprove all building, fences, walls, pools or other structures which shall be commenced, erected or maintained upon the Property, to approve any exterior additions to or changes or alterations therein. For any of the above, the Committee shall be furnished plans and specifications showing the nature, kind, shape, height, materials and location in relation to surrounding structures and topography;
- b. to review and approve or disapprove any such building plans and specifications, lot grading plans, landscaping plans, and other materials submitted pursuant to Article VI, Section 2 above. The Committee may disapprove the proposed improvement if in its sole discretion, the Committee determines that the proposed improvement is inconsistent with the development plan formulated by the Declarant for the Property

or lands contiguous thereto. Such decision of the Committee may be made upon purely aesthetic reasons;

- c. To require to be submitted to it for approval any samples of building materials proposed or any other data or information necessary to reach its decision.

Section 5. Exemption for Declarant and Builder. Notwithstanding anything contained herein, for as long as Declarant or Builder own fee title to any Lot, this Article VI shall not apply to or bind either Declarant or Builder.

ARTICLE VII GENERAL RESTRICTIONS

Section 1. General Restrictive Covenants. The general restrictive covenants contained in this Article shall apply uniformly to all Lots and Dwelling Units on the Property. All references in this Article VII to the Owner shall be deemed to include the invitees, guests, lessees, tenants and renters of the Owner unless the context clearly indicates otherwise.

Section 2. Residential Use Only. No Lot shall be used for any purpose except residential. The term "residential" is intended to prohibit any commercial use, including professional office use of any portion of any Lot or Dwelling Unit, but shall not prohibit use for rental purposes. No building shall be erected, altered, placed or permitted to remain on any Lot other than Dwelling Units designed for residential use and private garages. The foregoing shall not prohibit the Declarant and/or the Builders from using Dwelling Units as models or offices, provided such use as models or offices is in furtherance of the construction and sale or lease of Lots and Dwelling Units on the Property.

Section 3. Dwelling Unit Size. No building shall be erected, altered, placed or permitted to remain on any Lot other than one (1) single family Dwelling Unit not to exceed thirty-five (35) feet in height, a private garage (required space for a single standard automobile exclusive of oversized trucks, vans or sport utility vehicles) and not more than one (1) utility building. Dwelling Units shall have a minimum square footage of 1,000 square feet of enclosed living area, exclusive of garages and patios.

Section 4. Dwelling Unit Setbacks. All buildings and other structures shall comply with all front, rear and side setback requirements established by governmental authorities.

Section 5. No Temporary Structures. No structure of a temporary nature or character, including, but not limited to, a trailer, house trailer, mobile home, camper, tent, shack, shed, boat, barn or other similar structure or vehicle, shall be used or permitted to remain on any Lots as a storage facility or residence, or other living quarters whether temporary or permanent, unless approved by the ARC; provided, however that this prohibition shall not apply to shelters used by the Declarant and/or the Builders during the development of the Property and the construction of any Dwelling Unit.

Section 6. Parking and Storage Restrictions. Each Owner has the right to exclusive use of the paved parking areas which are located within that Owner's property lines. No vehicles may be parked on any grassed area of the Lots. Permission must be obtained in writing from the ARC for the parking of any commercial or recreational vehicles, trailers, boats, trucks, boat trailer, campers or other similar vehicles on any Lot or in any driveway, except in a closed garage attached to a Dwelling Unit. Parking in the Common Areas or common parking spaces, if any, shall be regulated by the rules of the Association. There shall be no parking on the streets or the street right of way area, if any, overnight or for a continuous period of time in excess of ten (10) consecutive hours. The provisions of this Section shall not apply to the parking or storage of any vehicles used by the contractor, Declarant and/or Builders during the construction of any Dwelling Unit or development of the Property.

Section 7. Livestock and Animal Restrictions. No livestock, poultry, reptiles or animals of any kind or size shall be raised, bred or kept in any Lot or in any Dwelling Unit; provided, however, that dogs, cats and other common domesticated household pets may be raised and kept, provided such pets are not kept, bred or maintained for any commercial purposes. Such permitted pets shall be kept on the Owner's Lot and shall not be allowed off the premises of Owner's Lot except on a leash. No permitted pet shall be allowed to make noise in a manner or of such volume as to annoy or disturb other Owners. Any Owner who keeps a pet thereby agrees to indemnify the Association and hold it harmless against any loss or liabilities of any kind or character whatsoever arising from or growing out of the keeping of such pet.

The keeping of pets by an Owner shall be subject to all governmental animal ordinances and any rules or regulations promulgated by the Association or the Board of Directors in regard thereto.

Section 8. Restrictions on Activity. No noxious or offensive activity shall be conducted or permitted to exist upon any Lot, or in any Dwelling Unit, nor shall anything be done or permitted to exist on any Lot or in any Dwelling Unit that may be or may become an annoyance or private or public nuisance. No Lot, driveway or Common Area shall be used for the purpose of vehicle repair or maintenance. No unregistered, non licensed, expired license or inoperable vehicles of any kind shall be permitted to remain on any Lot (unless parked inside the garage of a Dwelling Unit) or Common Area.

Section 9. Restrictions on Fixed Game and Plat Structures. If permitted by the ARC, all basketball backboards and other fixed game and plat structures shall be located at the side or rear of the Dwelling Unit or on the inside portion of the corner lots within the setback lines. Tree houses or platforms of a like kind or nature shall not be constructed on any part of any lot.

Section 10. Restrictions on Walls, Fences and Hedges. No boundary wall, fence or hedge shall be constructed or grown with a height of more than six (6) feet above the ground level of adjoining property. No wall of any height shall be placed or constructed on any Lot until after the height, type, design and location thereof shall have been approved in writing by the Architectural Review Committee. The heights or elevations of any wall shall be measured from the existing property elevations. Any questions as to such heights shall be conclusively determined by the ARC. No boundary wall, fence or hedge or part thereof may be place any closer to a street than a dwelling could be placed on the same Lot, except as may be required by FHA/VA or other governmental regulation. Notwithstanding anything contained herein to the contrary, on Lots which abut or are adjacent to the screening wall constructed in the Screen Wall and Landscape Buffer Area, as described in Article III, Section 5 hereof, no other wall or fence structure shall be build parallel to said screening wall regardless of the distance between the screening wall and fence. Moreover, on said Lots the last eight (8) foot section of a wall or fence structure which is constructed by the Owner Perpendicular to or in any way adjacent to or leading to the screening wall shall be tapered down in such a manner so that the top of said wall or

fence is no higher than the top of the screening wall as measured at the point of contact between said wall or fence and the screen wall. No chain link fencing shall be permitted on any Lot at any time.

Section 11. Swimming Pools and Screening. Plans and specifications for any swimming pool, including screening, to be constructed on any Lot shall be subject to the prior approval of the ARC.

Section 12. Garbage and Litter. It shall be the responsibility of each Owner to prevent the development of any unclean, unsightly or unkept conditions on any Lot or Dwelling Unit located on any Lot which tend to substantially decrease the beauty of the community as a whole or the specific area. This restriction shall apply before, during and after construction. No Lot shall be used or maintained as a dumping ground for rubbish, trash, or other waste. All trash, garbage and other waste shall be kept in sanitary containers and, unless required to be placed at the curb for scheduled pick-ups, all container shall be kept at the rear of all Dwelling Units or out of sight from the street. No burning of trash or other waste materials shall be permitted, except by the Declarant and/or the Builders, who after securing all applicable permits, shall during the development have the right to burn trash or other waste materials on the Property. All oil tanks and bottled gas containers shall be place underground, or shall be situated so as not be visible from the street or objectionable to adjacent residences.

Section 13. Alteration of Lots. No Owner, without the express prior written consent of the ARC, shall construct any improvements or make any changes to a Lot which shall have the result of changing, altering or affecting the natural or artificial water courses, canals, ditches, swales, ponds or drainage of the Property. All construction, grading and landscaping shall conform to the drainage swale requirements set forth on the plan of the Property.

Section 14. Storage of Materials. Except for the Declarant and/or the Builders, no Owner may store construction materials on a Lot for a period exceeding thirty (30) days without commencing construction, and if construction does not commence within said thirty (30) day period, the Association may remove such stored materials. Costs incurred in such removal by the Association will become a lien on said Lot, accruing interest at the highest rate permitted by law. Construction, once commenced, shall be diligently pursued to completing. No building, material or refuse shall be

placed or stored on any Lot with twenty (20) feet of any park or edge of any open water or drainage course except that clean fill may be placed nearer provided that the water or drainage course is not altered or blocked by such fill.

Section 15. Destruction by Fire or Other Casualty. No building or improvement which has been partially or totally destroyed by fire or other casualty shall be allowed to remain in such condition for more than six (6) months from the time of destruction. If reconstruction or repair of any such Dwelling Unit is not commenced within said six (6) month period, the Owner thereof shall raze or remove the same promptly from the Owner's Lot.

Section 16. Completion of Development and Dwelling Units. Nothing contained in this Declaration shall be interpreted or construed to prevent Declarant, its express successors or assigns, or the Declarant's contractors or subcontractors, from doing or performing on all or any part of the Property owned or controlled by the Declarant whatever the Declarant deems reasonably necessary in connection with completion of the development, including without limitation; (a) erecting, constructing and maintaining such structures as may be reasonably necessary for the conduct of the Declarant's business of completing the development and establishing the Property as a residential community and disposing of the same in lots and Dwelling Units by sale, lease or otherwise; or (b) conducting thereon its or their business.

Section 17. Waiver of Violations of Covenants and Restrictions. When a building or other structure has been erected, its construction commenced and the building is located on any Lot in a manner so as to constitute a violation or violations of this Declaration, the Association shall have the right, but not the obligation, at any time to release the Lot, or portions of it, from any part of the covenants and restrictions as may be violated, so long as the violation or violations do not conflict with applicable governmental ordinances or regulations.

Section 18. Window Air Conditioners. Window air conditioning units are prohibited.

Section 19. Installation of Fences by Declarant. The Declarant and/or the Builders may place, build, erect and/or install such walls or fences upon such easements as may exist or which may be established along the Lot

lines, and adjacent to water retention and/or detention areas located on the Property, which the Declarant and/or the Builders deem necessary or desirable, including chain link. No Owner, without the express written consent of the Association, shall paint, deface, change or renovate such walls or fences in any manner whatsoever, nor shall any attachment be made thereto.

Section 20. Garages. Each home shall have an attached garage of sufficient size to permit the storage therein of at least one (1) standard sized automobile. No garage shall be enclosed permanently or converted to any use without the substitution of another attached enclosed garage of the same kind of or matching material as and conform architecturally to the construction of the Dwelling Unit. All garages must have overhead garage doors, which shall be maintained in a useful condition and shall be kept closed when not in use. Carports are not permitted.

Section 21. Signs. No commercial signs or other signs shall be erected or maintained on any Lot or Dwelling Unit except with the written permission of the Association or except as may be required by legal proceedings, it being understood that the Association will not grant permission for said signs unless their erection is reasonably necessary to avert serious hardship to the property Owner. Such prohibition shall not apply to common commercial real estate signs advertising that a particular Lot Dwelling Unit is for sale provided that such signs are not illuminated and do not exceed four (4) square feet. If permission is granted for any other signage, the Association shall have the right to restrict size, color and content of such signs. Property identification and like signs exceeding a combined total of more than two (2) square feet may not be erected without the written permission of the Association. These restrictions shall not apply to restrict the Declarant the Builders or the Declarant's or the Builder's agents from erecting such signs as the Declarant or the Builders deem in their sole discretion to be necessary to assist Declarant or the Builders in selling, leasing or renting any Lot or Dwelling Unit or other portion of the Property.

Section 22. Allowable Trim. No Owner or tenants of a Dwelling Unit shall install shutters, awnings or other decorative exterior trim, except small exterior decorations such as address plates and name plates, without the prior approval of the ARC.

Section 23. Window Coverings. No reflective foil, tinted glass, sheets of newspapers or any other similar material shall be permitted on any windows except for tinted bronze glass and any such installation shall require approval of the ARC.

Section 24. Access at Reasonable Hours. For the sole purpose of performing any maintenance or repairs authorized agents contractors or employees shall have a license which shall be exercisable after reasonable notice to the Owner to enter upon any Lot or exterior of any Dwelling Unit.

Section 25. Tree Removal Restrictions. Trees situated on any Lot between building set back lines and the property lines having a diameter of eight inches (8") or more (measured four feet (4') from ground level) may not be removed without prior approval of the ARC. All requests for approval of tree removal shall be submitted to the ARC along with a plan showing generally the location of such tree(s).

Section 26. Replacement of Trees. Anyone violating the provisions of Section 25 will be required to replace such trees with trees of like kind, size and condition within thirty (30) days after demand by the ARC. If the Owner fails or refuses to replace the trees as demanded the ARC shall cause suitable replacement to be planted and the cost thereof shall be a lien against the property of the Owner. The Owner grants to the ARC, its agents and employees an easement of ingress and egress over and across said Lot to enable it to comply with Section 25 above and this Section 26.

Section 27. Antenna Restrictions. No one shall be permitted to install or maintain on any Lot, Dwelling Unit or structure, any outside television or radio antenna, disc, mast aerial or other tower for the purpose of audio or visual reception unless the same is approved by the ARC. This restriction shall not serve to prohibit Declarant or the Association from installing an antenna or satellite antenna disc, or contracting with a third party to install such antenna, for the purpose of providing master or cable television, radio or other electronic service to the Owners.

Section 28. Clotheslines. No clotheslines shall be erected or installed on any Lot without prior approval by the ARC.

Section 29. Exterior Paint. All exterior paint colors shall be subject to prior approval of ARC.

Section 30. Additional Rules and Regulations. The Association or Board of Directors may, from time to time, adopt rules and regulations relating to any one or all of the restrictive covenants contained in this Declaration. No Owner, its successors or assigns, tenants, lessees, renters, guests or invitees shall violate the rules and regulations adopted from time to time by the Association or the Board of Directors, whether relating to the use of the Lots, the use of the Common Area, or otherwise.

**ARTICLE IX
SHORT TERM RENTALS**

Section 1. Short Term Rentals Permitted. NOTICE IS HEREBY GIVEN TO ALL OWNERS THAT, ALL LOTS SUBJECT TO THIS DECLARATION ON WHICH A DWELLING UNIT HAS BEEN CONSTRUCTED MAY BE RENTED OR LEASED FOR TRANSIENT OCCUPANCY AND MAY BE REGULARLY RENTED TO TRANSIENTS OR HELD OUT OR ADVERTISED TO THE PUBLIC AS A PLACE REGULARLY RENTED TO TRANSIENTS.

Section 2. Short Term Rentals. Conspicuous Notice in Sales Contracts. Every contract for the sale of a Lot subject to this Declaration on which a Dwelling Unit has been constructed (or will be constructed pursuant to such contract) shall include in conspicuous print the notice forth below or a notice substantially similar thereto:

SHORT TERM RENTALS - NOTICE IS HEREBY GIVEN THAT THE LOT/HOME WHICH IS THE SUBJECT OF THIS CONTRACT AND OTHER LOTS/HOMES WITHIN REGENCY PLACE MAY BE RENTED OR LEASED AS "SHORT TERM RENTALS". A SHORT TERM RENTAL IS DEFINED BY POLK COUNTY ORDINANCES AS A DWELLING UNIT WHICH IS MADE AVAILABLE MORE THAN THREE TIMES A YEAR FOR PERIODS OF FEWER THAN 30 DAYS OR ONE CALENDAR MONTH AT A TIME, WHICH EVER IS LESS FOR USE, OCCUPANCY OR POSSESSION BY THE PUBLIC . TIMESHARES, VACATION RENTALS AND HOLIDAY RENTALS MEETING THIS DEFINITION ARE EXAMPLES OF SHORT TERM RENTALS. IF YOU HAVE ANY QUESTIONS CONCERNING SHORT TERM RENTALS, YOU MAY CALL THE POLK COUNTY

DEVELOPMENT SERVICES DIVISION AT 941-534-6792 OR
CONTACT YOUR SALES REPRESENTATIVE.

**ARTICLE X
COVENANTS AGAINST PARTITION AND
SEPARATE TRANSFER OF MEMBERSHIP RIGHTS**

Recognizing that the full use and enjoyment of any Lot is dependent upon the right to the use and enjoyment of the Common Area and the improvements made thereto, and that it is in the interest of all of the Owners that the right to the use and enjoyment Common Area is retained by the Owners of Lots, it is therefore declared that the right to the use and enjoyment of any Owner in the Common Area shall remain undivided, and such Owners shall have no right at law or equity to seek partition or severance of such right to the use and enjoyment of the Common Area. In addition, there shall exist no right to transfer the right to the use and enjoyment of the Common Area in any manner other than as an appurtenance to and in the same transaction with, a transfer of title to a Lot. Any conveyance or transfer of a Lot shall include the right to use and enjoyment of the Common Area appurtenant to such Lot subject to reasonable rules and regulations promulgated by the Declarant or the Association for such use and enjoyment, whether or not such rights shall have been described or referred to in the deed by which said Lot is conveyed

**ARTICLE XI
LENDER'S RIGHTS**

Section 1. Information. Upon written request, the Association shall make available for inspection during normal business hours by each Owner and each lender, holder, insurer or guarantor of any first mortgage on a Lot, a current copy of this Declaration, the Articles of Incorporation and By-Laws of the Association, and the records, books and financial statements of the Association.

Section 2. Financial Statement. Upon written request, each holder of a first mortgage on a Lot shall be entitled to receive a financial statement of the Association for the immediately preceding fiscal year.

Section 3. Lender's Notices. Upon written request to the Association, identifying the name of the holder, insurer or guarantor and the Lot and

address, any mortgage holder, insurer, or guarantor will be entitled to timely written notice of:

- (a) any condemnation or casualty loss that affects either a material portion of the Property of the Lots securing this mortgage.
- (b) any delinquency notice in the payment of assessments or charges owed by the Owner of any Lot on which it holds the mortgage.
- (c) a lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association; or
- (d) any proposed action that requires the consent of a specific percentage of mortgage holders.

ARTICLE XII GENERAL PROVISIONS

Section 1. Enforcement. The Association, the Declarant or each Owner shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association, the Declarant or by any Owner to enforce any covenant or restriction herein contained shall be in no event deemed a waiver of the right to do so thereafter. If the Declarant or Association shall seek to enforce the provisions of this Declaration, then the Declarant or the Association, as the case may be, shall be entitled to collect its fees and costs, including reasonable attorney's fees, whether incurred before trial, at trial or upon appeal. This Declaration shall be governed by, and construed in accordance with the laws of the State of Florida. All parties submit to the jurisdiction of the State and federal courts in the State of Florida, and agree that the venue of any such action or proceeding shall lie in Polk County, Florida and waive any claim that the same is an inconvenient forum.

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

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 3. Binding Effect; Amendment by Owners.

- (a) The covenants and restrictions of this Declaration shall run with and bind the land for a term of thirty (30) years from the date this Declaration is recorded, and after which time they shall be automatically extended for successive periods of ten (10) years.
- (b) Subject to the provisions of Section 9 of this Article, this Declaration may be amended during the first thirty (30) year period by an instrument signed by not less than ninety percent (90%) of the Lot Owners, and thereafter by not less than seventy-five (75%) of the Lot Owners. Notwithstanding the foregoing, any amendment to this Declaration which adversely affects any lender, holder, insurer or guarantor of any first mortgage on the Property as of the date of recording of this Declaration, shall not become effective unless joined in and consented to by such lender, holder, insurer or guarantor if such first mortgage affects the Property on the effective date of any such amendment.
- (c) Any amendment to this Declaration which alters any provision relating to the surface water or stormwater management portions of the common areas, must have the prior approval of the South Florida Water Management District and Polk County (governmental agency) Florida.
- (d) All amendments hereto shall be recorded in the Public Records of Polk County, Florida, and shall not be valid until recorded.

Section 5. Encroachments. In the event that any Lot shall encroach upon any Common Area, Conservation Area or Dedicated Area or upon any other Lot for any reason other than the intentional or negligent act of the Owner, or in the event any Common Area, conservation Area or Dedicated area shall encroach upon any Lot, then an easement shall exist to the extent of that encroachment for as long as the encroachment shall exist.

Section 6. Notices. Any notice required to be sent to any owner or the Association, under the provisions of this Declaration shall be deemed to have been sent when hand delivered or mailed, postage prepaid, to the last known address of the person or persons who appear as the Owner of the Lot in the records of the Association at the time of such mailing.

Section 7. Assignment of Declarant's Rights and Obligations. Any and all rights, powers and reservations of the Declarant may be assigned, in whole or in part, to any person, corporation or association which will assume the duties of the Declarant pertaining to the particular rights, powers and reservations assigned. Upon such assignee evidencing its consent in writing to accept such assignment and assuming such duties, the assignee shall, to the extent of such assignment, have the same rights and powers and be subject to the same obligations and duties as are given to and assumed by the Declarant herein. Further, the Declarant may from time to time delegate any and all of its rights, powers, discretion and duties hereunder to such agent or agents as it may nominate. The Declarant may designate as a Class B member of the Association an express successor or assignee who acquires a Lot or Lots, provided that such designation shall be only as to those Lots acquired by such express successor assignee.

Section 8. Contracts. Prior to the termination or conversion of Class B membership, the Association shall not be bound either directly or indirectly to contracts or leases (including management contracts) unless the contract or lease contains a right of termination, without cause, which is exercisable without penalty at any time upon not more than ninety (90) days notice to the other party.

Section 9. FHA/VA Approval. Notwithstanding any provision contained herein to the contrary, as long as there is a Class B Membership, the following actions will require the prior approval of the Federal Housing Administration ("FHA") or the Veterans Administration ("VA"): Annexation of additional properties; mortgaging of Common Area; merger or consolidation; dissolution; amendment of this Declaration; and amendments of the Articles of Incorporation and By-Laws of the Association.

Section 10. Waiver of Violations. Declarant, its express successor or assigns, reserves the right to waive any violations of the covenants contained in this Declaration, in the event Declarant shall determine, in its sole

discretion, that such violations are minor or dictated by the peculiarities of a particular lot configuration or topography.

Section 11. **Liability of Lot Owners for Damages.** Nothing in this Declaration shall be construed to impose absolute liability on the Owner of any Lot for damage or injury to the Common Areas or Lots and such Owners shall only be responsible for damage or injury caused by the negligent or intentional acts of the Owner.

Section 12. **Paragraph Headings.** Paragraph headings, where used herein, are inserted for convenience only and are not intended to be a part of this Declaration or in any way defined, limited or describe the scope and intent of the particular paragraph to which they refer.

Section 13. **Effective Date.** This Declaration will become effective upon recordation of the same in the Public Records of Polk County, Florida.

Section 14. **Constructive Notice and Acceptance.** Every person or entity that owns or acquires any right, title or interest in or to any portion of the Property, or any portion thereof, is and shall be conclusively deemed to have consented and agreed to every covenant, condition and restriction contained herein, whether or not any reference to this Declaration is contained in the instrument by which such person or entity acquires such right, title or interest.

Section 15. **Right of Association to Merge.** The Association retains the right to merge with any other homeowners association, provided such homeowners association is for an FHA or VA approved subdivision and provided FHA or VA approves such merger. This right shall be exercised by recordation of an Amendment to this Declaration recorded among the Public Records of Polk county, Florida, which Amendment shall set forth a legal description of the property to which this Declaration, as amended, shall apply. The Amendment shall further have attached to it a resolution of this Association and the homeowners association with which a merger is to take place, and such resolution shall be certified by the Corporate Secretary thereof and shall state:

- (a) That a meeting of the homeowner association was held in accordance with its By-Laws.

- (b) That a two-thirds (2/3) vote of each class of the Members approve the merger.

The foregoing certificates when attached to the Amendment shall be deemed sufficient to establish that the appropriate procedure was followed in connection with the merger. Upon a merger or consolidation of the Association with another association, its properties rights and obligations shall, by operation of law, be transferred to another surviving or consolidated association, or alternatively, the properties, rights, and obligations of another association shall, by operation of law, be added to the properties, rights, and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association shall administer the covenants and restrictions established by this Declaration within the Property together with the covenants and restrictions established upon any other properties as the overall plan or scheme. No such merger or consolidation, however, shall effect any revocation, change or addition to the covenants and restrictions established by this Declaration within the Property.

Section 16. Insurance.

- (a) The Association shall keep (i) any buildings in the Common Area insured against loss by fire and the risks covered by a Standard All Risk of Loss Perils insurance policy under an extended coverage casualty policy in the amount of the maximum insurance replacement value thereof, and (ii) all personal property owned by the Association insured with coverage in the maximum insurable fair market value of such personal property as determined annually by an insurance carrier selected by the Association. Insurance proceeds for any improvements in the Common Area and any personal property owned by the Association shall be payable to the Association. In the event of loss, damage or destruction, the Association shall cause the same to be replaced, repaired or rebuilt if it occurred in the Common Area. In the event the cost of such replacement repair or rebuilding of any improvements on the Common Area (i) exceeds the insurance proceeds available therefor, or (ii) no insurance proceeds are available therefor, the deficiency or full cost thereof shall be assessed to the Owners as special assessment.

- (b) The Association shall procure and keep in force public liability insurance in the name of the Association and the Owners against any liability for personal injury or property damage resulting from any one occurrence in or about the Common Area, in an amount not less than ONE MILLION AND NO/100 DOLLARS (\$1,000,000.00) for damage to one (1) or more persons in one (1) accident or event and not less than ONE MILLION AND NO/100 DOLLARS (\$1,000,000.00) for damage to property in one (1) accident or event.
- (c) Copies of all such insurance policies (or certificates thereof showing premiums thereon to have been paid) shall be retained by the Association and open for inspection by the Owners at any reasonable time. All such insurance policies shall (i) provide that they shall not be cancelable by the insurer without first giving at least ten (10) days prior notice in writing to the Association, and (ii) contain a waiver of subrogation by the insurer(s) against the Association, Board and Owners.
- (d) Notwithstanding any provision contained herein to the contrary, the Association shall maintain such insurance coverage as may be required by the Veterans Administration ("VA") so long as VA, FHA, or FNMA holds a mortgage on or owns any Lot.

Section 17. Mortgaging of Common Areas. The Common Area shall not be mortgaged or conveyed by the Association without the consent of a least two-thirds (2/3) of each class of Members; provided, however, that if there has ceased to be any Class B Members, then the consent of at least two-thirds (2/3) of the Class A Members excluding the Declarant shall be required.

ARTICLE XIII DISPUTE NOTIFICATION AND RESOLUTION PROCEDURE

Section 1. Notification and Resolution Procedure. Any disputes between the Association (or any owners) and the Declarant or any director, officer partner, employer, subcontractor or agent of the Declarant relating to this Declaration, the use or condition of the Property, and/or construction

and installation of any Improvements located thereon shall be subject to the following provisions.

(a) Notice Any person with a claim against the Declarant or any director, officer, partner, employer, subcontractor or agent thereof (collectively the "Declarant" for purposes of this article) shall notify the Declarant in writing of the claim which shall describe the nature of the claim and the purposed remedy (the Claim Notice).

(b) Right to Inspect and Right to Corrective Action. Within a reasonable period after receipt of the Claim Notice, which period shall not exceed 60 days, the Declarant and Claimant shall meet at a mutually acceptable place within the Development to discuss the claim. At such meeting or at such other mutually – agreeable time, Declarant and Declarant's representative shall have full access to the Property that is the subject of the claim for the purpose of inspecting the property. The parties shall negotiate in good faith in an attempt to resolve the claim. If the Declarant elects to take any corrective action, the Declarant and Declarant's representative and agent shall be provided full access to the Development to take and complete corrective action.

(c) Litigation. If the Association and/or Owner has complied with the requirements of subparagraphs (a) and (b) above and the Declarant denies any responsibility for the claim, accepts only partial responsibility, or accepts responsibility, but parties cannot in good faith agree on an appropriate remedy, or the Association and/or owner may bring an action in any court of competent jurisdiction to resolve the dispute. The Association and each Owner covenants that each shall forbear from commencing any litigation against the Declarant without complying with the procedures described in subparagraphs (a) and (b) above. If the Association or any Owner breaches the foregoing covenant, the Declarant may obtain an appropriate order compelling the Association and/or Owner to comply with the procedures described herein. The procedures set forth herein shall not apply to any action taken by the Association against Declarant for delinquent assessments, or in any action involving any common area completion bonds. Furthermore, nothing herein shall prevent the Association or any Owner from commencing any legal action which in the good faith determination of the Board or Owner is necessary to

preserve any Association's or Owner's rights under any applicable statute of limitations, provided that the Association or Owner shall take no further steps in prosecuting the action until it has complied with the procedures described herein.

- (d) Miscellaneous. Notwithstanding any other provision herein to the contrary, in any dispute between the Association and/or Owner and the Declarant, each party shall bear its own attorney's fees.

Any and all communications by and between the parties, whether written or oral, which are delivered by the parties or their attorneys or other representative in an effort to settle the matter shall be considered communications under taken in the course of effecting a settlement or compromise as such shall not be admissible as an admission on the part of any party or any representative or agent of that party to be utilized for any such purpose in any action or proceeding.

Nothing herein shall be considered to reduce or extend any applicable statute of limitations.

Section 2. Notice of Significant Legal Proceedings. Notwithstanding anything herein to the contrary, the Board shall not institute any significant legal proceeding, including any arbitration or judicial reference proceeding, against any person without providing the Members of the Association with at least 30 days prior written notice of the Association's intention to institute legal proceedings. The notice shall describe the purpose of the proceeding the parties to the proceeding, the anticipated cost to the Association (including attorneys' fees) in processing the proceeding, the source of funds to process the proceeding (reserves or special or regular assessments), and suggested information that should be disclosed to third parties, such as prospective purchasers and lenders, while the proceeding is being prosecuted. For purposes herein, "significant legal proceeding" shall mean any legal proceeding in which it reasonably could be anticipated that any of the following events could occur:

- (i) the levy of a special assessment to fund all or any portion of the costs of the proceeding;

- (ii) the expenditure of funds from the Association's reserves in connection with the proceeding in an amount in excess of 5% of the then current reserves.
- (iii) The amount of the claim is in excess of \$25,000.00; or
- (iv) the action could have a material adverse effect on the ability to sell and/or refinance the individual homes within the Development during the period the proceeding is being prosecuted.

Notwithstanding the foregoing, the notice shall not be required to commence and pursue any action to collect delinquent assessments as described in Article V or to enforce any Common Area completion bond, if any. Furthermore, if the Board in good faith determines that there is insufficient time to provide prior notice to the Members as required herein prior to the expiration of any applicable statute of limitations or prior to the loss of any other significant right of the Association, the Board may take the necessary steps to commence the proceeding to preserve the rights of the Association, provided that as soon as is reasonably practical thereafter, and not later than 30 days following the commencement of the proceeding, the Board shall provide the Members with notice as required herein.

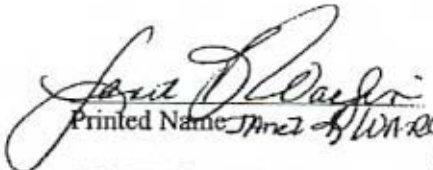
IN WITNESS WHEREOF, the Declarant has caused these presents to be executed by its duly authorized general partner on the day and year first above written.

Signed, sealed and delivered
In the presence of


Printed Name Dirk Neumann

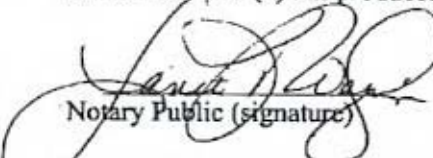
Arden Estates-Davenport Limited
Partnership a FI Limited Partnership
BY: Hearthstone Advisors, Inc.
a California Corp. General Partner

BY: 
James K. Griffin, Jr., as
Senior Vice Pres.


Printed Name Janet Blumstein

STATE OF FLORIDA
COUNTY OF Broward

The foregoing instrument as acknowledged before me this 10th day of
November, 1998 by James K. Griffin, Jr., as Senior Vice President of,
Hearthstone Advisors, Inc., a California corporation. His is () personally
known to me or () has produced N/A -as identification


Notary Public (signature)

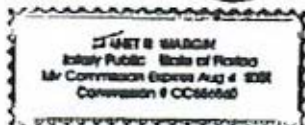


EXHIBIT "A"

COMMENCE AT THE NORTHWEST CORNER OF THE SOUTH ½ OF THE NORTHEAST ¼ OF SECTION 19, TOWNSHIP 26 SOUTH, RANGE 27 EAST: RUN THENCE N89°14'27"E ALONG THE NORTH BOUNDARY OF SAID SOUTH ½, 322.35 FEET; RUN THENCE S00°45'33"E, 15.00 FEET TO THE POINT OF BEGINNING; RUN THENCE N89°14'27"E PARALLEL TO SAID SOUTH ½ 1332.56 FEET; RUN THENCE S00°08'53"E, 788.96 FEET; RUN THENCE S67°37'56"W, 39.00 FEET TO A POINT ON A CURVE TO THE LEFT HAVING A RADIUS OF 280.00 FEET, A CENTRAL ANGLE OF 22°39'19", AND WHOSE CHORD BEARS N33°41'44"W; RUN THENCE ALONG SAID CURVE AN ARC DISTANCE OF 110.71 FEET TO THE BEGINNING OF A CURVE TO THE RIGHT HAVING A RADIUS OF 275.00 FEET, A CENTRAL ANGLE OF 15°35'11", AND WHOSE CHORD BEARS N37°13'48"W; RUN THENCE ALONG SAID CURVE AN ARC DISTANCE OF 74.81 FEET; RUN THENCE S60°33'48"W, 104.98 FEET; RUN THENCE S43°27'41"W 41.66 FEET; RUN THENCE S76°12'24"W, 111.68 FEET TO THE BEGINNING OF A CURVE TO THE RIGHT HAVING A RADIUS OF 325 FEET, A CENTRAL ANGLE OF 12°56'30", AND WHOSE CHORD BEARS S82°40'39"W; RUN THENCE ALONG SAID CURVE AN ARC DISTANCE OF 73.41 FEET; RUN THENCE S89°08'54"W, 440.07 FEET TO A POINT ON A CURVE TO THE LEFT HAVING A RADIUS OF 675.00 FEET; A CENTRAL ANGLE OF 26°48'50", AND WHOSE CHORD BEARS N16°37'22"W; RUN THENCE ALONG SAID CURVE TO THE LEFT AN ARC DISTANCE OF 315.89 FEET TO THE BEGINNING A CURVE TO THE RIGHT HAVING A RADIUS OF 325.00 FEET, A CENTRAL ANGLE OF 29°14'45", AND WHOSE CHORD BEARS N15°24'24"W; RUN THENCE ALONG SAID CURVE TO THE RIGHT AN ARC DISTANCE OF 165.89 FEET; RUN THENCE N00°47'02"W, 125.60 FEET; RUN THENCE N19°33'49"E, 48.90 FEET RUN THENCE N11°41'44"W, 105.00 FEET TO A POINT ON A CURVE TO THE LEFT HAVING A RADIUS OF 325.00 FEET, A CENTRAL ANGLE OF 53°40'44", AND WHOSE CHORD BEARS S51°27'54"W; RUN THENCE ALONG SAID CURVE TO THE LEFT AN ARC DISTANCE OF 304.48 FEET; RUN THENCE S63°00'21"W, 31.36 FEET TO A POINT ON A NON-TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 330.00 FEET, A CENTRAL ANGLE OF 15°12'23", AND WHOSE CHORD BEARS S66°47'26"W; RUN THENCE ALONG SAID CURVE TO THE LEFT AN ARC DISTANCE OF 87.58 FEET; RUN THENCE N00°11'33"W, 27.97 FEET; RUN THENCE N34°41'15"E, 67.04 FEET TO THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 160.00 FEET, A CENTRAL ANGLE OF 60°18'36", AND WHOSE CHORD BEARS N04°03'34"W; RUN THENCE ALONG SAID CURVE TO THE LEFT AN ARC DISTANCE OF 168.42 FEET; RUN THENCE N00°45'33"W, 15.00 FEET TO THE POINT OF BEGINNING. LYING IN POLK COUNTY, FLORIDA.

EXHIBIT "C"
BY-LAWS OF
REGENCY PLACE HOMEOWNERS ASSOCIATION, INC.

ARTICLE I
NAME

This corporation shall be known as Regency Place Homeowners Association, Inc., a Florida Corporation not for profit (hereinafter called the "association") as set forth in Articles of Incorporation filed with the Secretary of State (hereinafter called the "articles").

ARTICLE II
OFFICES

The principal office of the association shall be in the City of Orlando, County of Orange and State of Florida. The association may also have offices at such other places both within and without the State of Florida as the board of directors may from time to time determine or the business of the association may require.

ARTICLE III
DEFINITIONS

Section 1. "association" shall mean and refer to Regency Place Homeowners Association, Inc., its successors and assigns.

Section 2. "properties" shall mean and refer to that certain real property described in the master declaration of covenants and conditions and such additions thereto as may hereafter be brought within the jurisdiction of the association.

Section 3. "common area" shall mean all real property, if any, and easements (including the improvements thereto) owned by the association, or granted to the association for the common use and enjoyment of the owners, including but not limited to the operation and maintenance of the surface water management system as permitted the Southwest Florida

Water Management District including all lakes, if any, retention areas, culverts and related appurtenances.

Section 4. "lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the properties with the exception of the common areas and dedicated areas within the development.

Section 5. "owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any lot which is a part of the properties, including contract sellers, but excluding those having such interest merely as security for the performance of any obligation.

Section 6. "declarant" or "developer" shall mean and refer to Arden Estates-Davenport Limited Partnership, a Florida Limited Partnership, its successors or assigns if such successors or assigns should acquire more than a majority of the remaining undeveloped lots owned by the declarant for the purpose of development.

Section 7. "declaration" shall mean and refer to the master declaration of covenants and conditions applicable to the properties recorded in the official record books of Polk County, Florida.

Section 8. "member" shall mean and refer to those persons entitled to membership as provided in Article V of the Articles of Incorporation.

ARTICLE IV MEETINGS OF MEMBERS

Section 1. Annual meetings. The first annual meeting of the members shall be held in January, 2000 on a date determined by the board of directors and each subsequent regular annual meeting of the members shall be held on the same day of the same month of each year thereafter, at the hour of 11:00 A.M. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 2. Special Meetings: Special meetings of the members may be called at any time by the president or by the board of directors, or upon written request of the members who are entitled to vote one-fourth (1/4) of all the votes of the class A membership.

Section 3. Notice of Meetings. Written notice of each meeting of the members shall be given by , or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least ten (10) days before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the association, or supplied by such member to the association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of the members entitled to cast or of proxies entitled to cast, two thirds (2/3) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the declaration, or these by-laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time without notice other than announcement at the meeting until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his lot.

ARTICLE V BOARD OF DIRECTORS

Section 1. Number: The affairs of this association shall be managed by a board of directors, who need not be members of association. The number of Of directors shall always be an odd number no less than three(3) or more than nine (9).

Section 2. Term of Office. At the first meeting the members shall elect three (3) directors for a term of one year

Section 3. Removal. Any director may be removed from the board, with or without cause, by a majority vote of the member of the association. In the event of death, resignation or removal of a director, his successor shall be

selected by the remaining members of the board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No director shall receive compensation for any service he may render to the association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

**ARTICLE VI
POWERS AND DUTIES OF THE BOARD OF DIRECTORS**

Section 1. Powers. The board of directors shall have power to:

- (a) adopt and publish rules and regulations governing the use of the common areas and dedicated areas, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;
- (b) suspend the voting rights and right to use the recreational facilities of a member during any period in which such member shall be in default in the payment for more than thirty (30) days of any assessment levied by the association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations.
- (c) exercise for the association all powers, duties and authority vested in or delegated to this association and not reserved to the membership by other provisions of these bylaws the articles of incorporation , or the declaration.
- (d) Declare the office of a member of the board of directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the board of directors and,

- (e) Enter into management agreements or employ a manager, an independent contractor, or such other employees as they may deem necessary, and to prescribe their duties,

Section 2. Duties. It shall be the duty of the board of directors to:

- (a) cause to be kept a complete record of all of its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the class A members who are entitled to vote;
- (b) supervise all officers, agents and employees of this association, and to see that their duties are properly performed;
- (c) as more fully provided in the declaration
 - (1) fix the amount of the annual assessment against each lot at least thirty (30) days in advance of each annual assessment period.
 - (2) send written notice of each assessment to every owner subject thereto at least thirty (30) days in advance of each annual assessment period, and;
 - (3) foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the owner personally obligated to pay the same.
- (d) issue or to cause an appropriate officer to issue upon demand by any person a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment.
- (e) procure, pay for and maintain adequate liability and hazard insurance on real and personal property owned by the association;

- (f) cause all officers or employees having fiscal responsibilities to be bonded as it may deem appropriate;
- (g) cause the common areas and dedicated areas to be maintained;

ARTICLE VII OFFICERS

Section 1. Enumeration of Officers. The officers of this association shall be a president, vice president and a secretary/treasurer, who shall at all times be members of the board of directors, and such other officers as the board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the board of directors following each annual meeting of the members.

Section 3. Term. The officers of this association shall be elected annually by the board and each shall hold office for one (1) year unless he shall sooner resign or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The board may elect such other officers as the affairs of the 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.

Section 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 giving written notice to the board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the board of directors. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more

than one of the other office except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

President

- (a) The president shall preside at all meetings of the board of directors; shall see that orders and resolutions of the board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

Vice President

- (b) The vice president shall act in the place and stead of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the board of directors.

Secretary/Treasurer

- (c) The secretary/treasurer shall record the votes and keep the minutes of all meetings and proceedings of the board of directors and of the members; keep the corporate seal of the association and affix it on all papers requiring said seal; serve notice of meetings of the board of directors and of the members; keep appropriate current records showing the members of the association together with their addresses; receive and deposit in appropriate bank accounts all monies of the association and shall disburse such funds as directed by resolution of the board of directors; shall sign all checks and promissory notes of the association; keep proper books of accounts; cause an annual audit of the association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

**ARTICLE VIII
COMMITTEES**

Section 1. Creation and Function of Committees. The board of directors may, by resolution passed by a majority of the whole board designate committees, each to consist of two (2) or more of the directs of the association. Committees shall have such functions and may exercise the powers of the board of directors as can be lawfully delegated and to the extent provided in the resolution or resolutions creating such committee or committees.

Section 2. Meetings of Committees. Regular meetings of committees may be held without notice at such time and at such place as shall from time to time be determined by such committee, and special meetings of the committees may be called by any member thereof upon two (2) days notice to each of the other members of such committee, or on such shorter notice as may be agreed to in writing by each of the other members of such committee, given either personally or in the manner provided in Section 3 of Article IV of these Bylaws (pertaining to notice for directors' meetings).

Section 3. Vacancies on Committees. Vacancies on the committees shall not be filled by the board of directors then in office at any regular or special meeting.

Section 4. Quorum of Committees. At all meetings of the committees, a majority of the committee's members than in office shall constitute a quorum for the transactions of business.

Section 5. Manner of Acting of Committees. The acts of a majority of the members of the committees, present at any meeting at which there is a quorum, shall be the act of such committee.

Section 6. Minutes of Committees. Committees shall keep regular minutes of their proceedings and report the same to the board of directors when required.

**ARTICLE IX
BOOKS AND RECORDS**

The books, records and papers of the association shall at all times, during reasonable business hours, be subject to inspection by any member. The declaration, the articles of incorporation, and the bylaws of the association shall be available for inspection by an member at the principal office of the association, where copies may be purchased at reasonable cost.

**ARTICLE X
FISCAL YEAR**

The fiscal year of the association shall begin on January 1.

**ARTICLE XI
RULES OF ORDER**

Roberts Rules of Order shall be the parliamentary authority for all matters of procedure not specifically covered by these bylaws.

**ARTICLE XII
AMENDMENTS**

Section 1. These bylaws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy, except that the Federal Housing Administration or the Veterans Administration shall have the right to veto amendments which there is Class B membership.

Section 2. In the case of any conflict between the articles of incorporation and these bylaws, the articles shall control; and in the case of any conflict between the declaration and these bylaws the declaration shall control.

**ARTICLE XIII
ASSESSMENTS**

As more fully provided in the declaration, each member is obligated to pay to the association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid within thirty

(30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of eighteen (18%) per annum. The association may bring an action of law against the owner personally obligated to pay the same or foreclose the lien against the property, and interest and cost and all attorney's fees of any such action shall be added to the amount of such assessment. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the common area or abandonment of his lot.

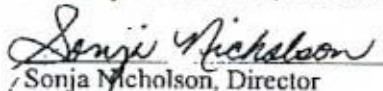
**ARTICLE XIV
CORPORATE SEAL**

The association shall have a seal in circular form having within its circumference the words: Regency Place Homeowners Association, Inc. a corporation not for profit.

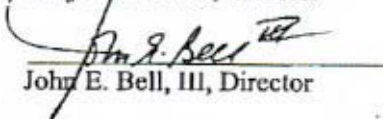
IN WITNESS WHEREOF, we, being all of the directors of Regency Place Homeowners Association, Inc. have hereunto set our hands this 31st day of October, 1998.



Anthony J. Nicholson, Director



Sonja Nicholson, Director



John E. Bell, III, Director

Return To:
ALLEN R. SMITH ^{Lance}
OFFICE BOX _____

This instrument Prepared by and
Should be returned to:
Allen R. Smith, P.A.
322 4th Street N.W.
Winter Haven, FL 33881

1 YEAR 10 YEAR 15 YEAR 20 YEAR 25 YEAR 30 YEAR 35 YEAR 40 YEAR 45 YEAR 50 YEAR 55 YEAR 60 YEAR 65 YEAR 70 YEAR 75 YEAR 80 YEAR 85 YEAR 90 YEAR 95 YEAR 100 YEAR

INSTR # 99172376
OR BK 04343 PG 0388
RECORDED 11/01/99 08:46 AM
RICHARD M. WEISS CLERK OF COURT
POLK COUNTY
DEPUTY CLERK T. Deen

**AMENDMENT TO DECLARATION OF COVENANTS
CONDITIONS AND RESTRICTION FOR
REGENCY PLACE**

THIS AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR REGENCY PLACE(the "Amendment") made and executed as of this 18th day of October, 1999 by ARDEN ESTATES - DAVENPORT LIMITED PARTNERSHIP, a Florida Limited partnership, whose address is 111 West Robinson Street, Orlando, FL 32801 (Hereinafter referred to as the "Declarant").

WITNESSETH:

WHEREAS, Declarant, as the owner of certain real property located in Polk County, Florida, executed and recorded that certain Declaration of Covenants, Conditions and Restrictions for Regency Place, recorded November 12, 1998 in Official Records Book 04129, Page 0195, of the Public Records of Polk County, Florida, (hereinafter referred to as the "Declaration"). All capitalized terms not defined herein shall have the meanings set forth in the Declaration; and

WHEREAS, pursuant to Article XII, section 4, subsection (b-c) the Declarant may amend the Declaration, and

WHEREAS, Declarant desires to subject the properties and future land that may be annexed to the properties for the purposes of protecting and enhancing the values of the various parcels comprising the Properties; and **WHEREAS**, Declarant proposes to amend the "Declaration of Covenants, Conditions and Restriction for Regency Place" as set forth below;

NOW, THEREFORE, Declarant hereby declares that the Properties shall be held, sold, and conveyed subject to the following provision which is for the purpose of protecting the value and desirability of the Properties; shall run with the land; shall be binding on all parties having any right, title or interest whatsoever in the Properties or any part thereof, their heirs, successors, and assigns; and shall inure to the benefit of each successive owner of the Properties, and shall amend and restate the Declaration of Covenants;

1. Article V, Section 2 shall be amended to read as follows: "Purpose of Assessments. The assessments levied by the Association may be used for the following purposes:"


- 2. Article V, Section 2, subsection k. Shall be amended to read as follows: "to pay for basic cable providing that the Association shall have the right and not the obligation to negotiate in good faith, and in behalf of the owners, with a duly licensed provider of cable television, for "bulk rate" service, should the association be so inclined. Any assessment shall not be used for activation, installation, upgrades, pay-per-view, remote controls, or any premium channels.

This Amendment contains each and every amendment and modification to the Declaration and except as amended herein, the terms, provisions, conditions and covenant of the Declaration shall remain in full force and effect.

IN WITNESS WHEREOF, Arden Estates - Davenport Limited Partnership, a Florida Limited Partnership has caused these presents to be signed in a manner and form sufficient to bind it this 18th day of October, 1999.

SIGNED SEALED AND DELIVERED
IN THE PRESENCE OF

Arden Estates -- Davenport Limited
Partnership a Florida Limited Partnership
BY: Hearthstone Advisors, Inc.
A California Corporation General Partner


By: James K. Griffin, Jr.
Senior Vice-President
111 West Robinson St
Orlando, FL 32801

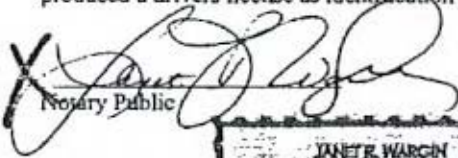
SIGNED 2/18/99

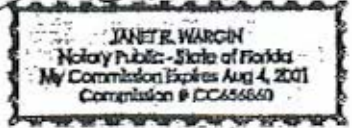

Printed Name
Janet R. Wargin

Printed Name
TERRY R. LILLIAN

State of Florida
County of Sevier

The foregoing instrument was acknowledged before me this 25 day of October, 1999 by James K. Griffin, Jr. as General Partner of Arden Estates - Davenport Limited Partnership, a Florida Limited Partnership who is personally known to me or has produced a drivers license as identification and who did not take an oath.


Notary Public

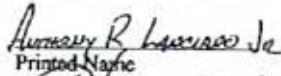


IN WITNESS WHEREOF, the undersigned has hereunto set its hand and seal this 6 day of November, 2000.

Signed, sealed and delivered in the presence of,

ARDEN ESTATES - DAVENPORT LIMITED,
("Declarant"), a Florida Limited Partnership

BY  Dir
ANTHONY J. NICHOLSON, Director


Anthony R. Larciano Jr.
Printed Name

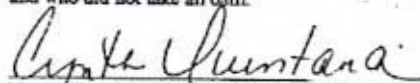


Cynthia Quintana
Printed Name



STATE OF FLORIDA
COUNTY OF ORANGE

The foregoing instrument was acknowledged before me this 6 day of November, 2000 by Anthony J. Nicholson, as director of Arden Estates - Davenport Limited, a Florida Limited Partnership who is personally known to me or has produced a drivers license as identification and who did not take an oath.


Cynthia Quintana
Notary Public



Cynthia Quintana
Commission # CC 932636
Expires April 30, 2004
Bonded Thru
Atlantic Bonding Co., Inc.

EXHIBIT "B"

DESCRIPTION

BEGIN AT THE SOUTHEAST CORNER OF TRACT A OF REGENCY PLACE PHASE ONE, AS RECORDED IN PLAT BOOK 107, PAGES 15 AND 16, PUBLIC RECORDS OF POLK COUNTY, FLORIDA; SAID POINT ALSO BEING A POINT ON THE EASTERLY BOUNDARY LINE OF LOT 28 OF HOLLY HILL GROVE & FRUIT COMPANY SUBDIVISION, AS RECORDED IN PLAT BOOK 17, PAGE 36, PUBLIC RECORDS OF POLK COUNTY, FLORIDA; RUN THENCE $00^{\circ}08'53''$ E ALONG THE EAST BOUNDARY LINE OF SAID LOT 28, 499.99 FEET TO THE SOUTHEAST CORNER OF SAID LOT 28 AND THE NORTH RIGHT OF WAY LINE OF MINUTE MAID RAMP ROAD ONE; RUN THENCE $589^{\circ}11'53''$ W ALONG THE SOUTH BOUNDARY OF LOTS 28 THROUGH 31 OF SAID HOLLY HILL GROVE & FRUIT COMPANY SUBDIVISION, THE NORTH RIGHT-OF-WAY OF MINUTE MAID RAMP ROAD ONE AND PARALLEL TO THE SOUTH BOUNDARY OF SECTION 19, TOWNSHIP 26 SOUTH, RANGE 27 EAST, 1068.78 FEET; RUN THENCE $00^{\circ}51'06''$ W, 166.95 FEET TO A POINT ON A CURVE TO THE LEFT HAVING A RADIUS OF 25.00 FEET, A CENTRAL ANGLE OF $60^{\circ}29'54''$, AND WHOSE CHORD BEARS $S76^{\circ}14'27''$ W; RUN THENCE ALONG SAID CURVE 26.40 FEET; RUN THENCE $N23^{\circ}00'16''$ W, 44.57 FEET; RUN THENCE $N57^{\circ}14'02''$ W, 104.96 FEET TO A POINT ON A CURVE TO THE LEFT HAVING A RADIUS OF 425.00 FEET, A CENTRAL ANGLE OF $33^{\circ}09'00''$ AND WHOSE CHORD BEARS $N16^{\circ}11'28''$ E; RUN THENCE ALONG SAID CURVE AN ARC DISTANCE OF 245.90 FEET; RUN THENCE $N89^{\circ}36'58''$ E, 105.00 FEET; RUN THENCE $N49^{\circ}52'16''$ E, 50.82 FEET; RUN THENCE $N89^{\circ}08'54''$ E, 545.18 FEET TO A POINT ON A CURVE TO THE LEFT HAVING A RADIUS OF 325.00 FEET, A CENTRAL ANGLE OF $12^{\circ}56'30''$ AND WHOSE CHORD BEARS $N82^{\circ}40'39''$ E; RUN THENCE ALONG SAID CURVE 73.41 FEET; RUN THENCE $N76^{\circ}12'24''$ E, 111.68 FEET; RUN THENCE $N43^{\circ}27'41''$ E, 41.66 FEET; RUN THENCE $N60^{\circ}33'48''$ E, 104.98 FEET TO A POINT ON A CURVE TO THE LEFT HAVING A RADIUS OF 275.00 FEET, A CENTRAL ANGLE OF $15^{\circ}35'11''$ AND WHOSE CHORD BEARS $S37^{\circ}13'48''$ E; RUN THENCE ALONG SAID CURVE AN ARC DISTANCE OF 74.81 FEET TO A POINT OF REVERSE CURVE HAVING A RADIUS OF 280.00 FEET, A CENTRAL ANGLE OF $22^{\circ}39'19''$ AND WHOSE CHORD BEARS $N33^{\circ}41'44''$ W; RUN THENCE ALONG SAID CURVE AN ARC DISTANCE OF 110.71 FEET; RUN THENCE $N67^{\circ}37'56''$ E, 39.00 FEET TO THE POINT OF BEGINNING.

1 2001 01 29 11 42 AM

INSTR # 2001018535
OR BK 04620 PG 1977
RECORDED 02/01/2001 01:42 PM
RICHARD M. NEISS CLERK OF COURT
POLK COUNTY
DEPUTY CLERK B Morris

Prepared by and return to:
Richard Vespucci
c/o Arden Estates - Davenport Limited
111 W. Robinson Street
Orlando, Florida 32801
407-423-3456

**THIRD AMENDMENT TO DECLARATION OF
COVENANTS AND CONDITIONS FOR REGENCY PLACE**

NOTICE OF DECLARATION

THIS THIRD AMENDMENT TO DECLARATION OF COVENANTS AND RESTRICTIONS made this 29th day of January, 2001, by Arden Estate - Davenport Limited Partnership, a Florida limited partnership, whose address is 111 W. Robinson Street, Orlando, Florida, 32801, ("Declarant").

WITNESSETH

WHEREAS, Declarant is the owner of certain property, (the "Properties"), located in Polk county, Florida, which is more particularly described as follows:

**SEE EXHIBIT "A" ATTACHED HERETO AND
INCORPORATED HEREIN BY REFERENCE**

WHEREAS, Declarant recorded a Declaration of Covenants and Restrictions (the "Amended and Restated Declaration of Covenants Conditions and Restrictions affecting the Properties, which was recorded in O.R. Book 04129, Page 0195, Public Records of Polk County, Florida and which affected and encumbered the Properties, and Declarant recorded a First Amendment to Amended and Restated Declaration of Covenants and Restrictions (the "Amendment"), which was recorded in O.P., Book 04343, Page 0388, Public Records of Polk County, Florida, and Declarant recorded a Second Amendment to Amended and Restated Declaration of covenants and Restrictions ("Second Amendment"), which was recorded in O.P. 04569, Page 1757, Public Records of Polk County, Florida:

WHEREAS, the Properties described in the Prior Declaration are a part of the Properties;

WHEREAS, the Declarant desires to amend the Amended Declaration, as set forth below:

WHEREAS, the Declarant desires to annex additional land to the Properties in accordance with the provisions of the Amended Restated Declaration, Article II, Section 1:

WHEREAS, the Declarant states that pursuant to the Amended Declaration, Article II, Section 1, no consent from any other party or members are required for this annexation;

NOW THEREFORE, Declarant declares that the additional land more fully described in Exhibit "A":

1. Shall be annexed to the Properties subject to the Amended Declaration.
2. This Notice of Declaration shall incorporate by reference, all of the terms, covenants and conditions of the Amended Restated Declaration and the first Amendment, thereby subjecting the annexed land to such terms, covenants and conditions as though said annexed lands were a portion of the Properties.

IN WITNESS WHEREOF, the undersigned has hereunto set its hand and seal this 26th day of January, 2001.

Signed, sealed and delivered in the presence of,

ARDEN ESTATES – DAVENPORT LIMITED,
("Declarant"), a Florida Limited Partnership

BY: [Signature]
ANTHONY J. NICHOLSON, Director

Richard Vespucci
Printed Name
[Signature]

Stelma Muvira
Printed Name
[Signature]

STATE OF FLORIDA
COUNTY OF ORANGE

The foregoing instrument was acknowledged before me this 29th day of January, 2001, by Anthony J. Nicholson, as director of Arden Estates – Davenport Limited, a Florida Limited Partnership who is personally known to me or has produced a drivers license as identification and who did not take an oath.

[Signature]
Notary Public

Sandra J. Elrod
My Commission CC781452
Expires October 7, 2002

EXHIBIT "A"

DESCRIPTION

BEGIN AT THE NORTHWEST CORNER OF TRACT B OF REGENCY PLACE PHASE ONE, AS RECORDED IN PLAT BOOK 107, PAGES 15 AND 16, PUBLIC RECORDS OF POLK COUNTY, FLORIDA; RUN THENCE ALONG THE BOUNDARY OF SAID REGENCY PLACE PHASE ONE THE FOLLOWING ELEVEN (11) COURSES AND DISTANCES; (1) ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 160.00 FEET, A CENTRAL ANGLE OF 60°18'36". A CHORD BEARING S04°03'34"E, AN ARC DISTANCE OF 168.42 FEET; (2) S34°41'15"W, 67.04 FEET; (3) S00°11'33"E, 27.97 FEET; (4) ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 330.00 FEET, A CENTRAL ANGLE OF 15°12'23", A CHORD BEARING N66°47'26"E, AN ARC DISTANCE OF 87.58 FEET; (5) N63°00'21"E, 31.36 FEET; (6) ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 325.00 FEET, A CENTRAL ANGLE OF 53°40'44", A CHORD BEARING N51°27'54"C-, AN ARC DISTANCE OF 304.48 FEET; (7) S11°41'44"E, 105.00 FEET; (8) S19°33'49"W, 48.90 FEET; (9) S00°47'02"E, 125.60 FEET; (10) ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 325.00 FEET, A CENTRAL ANGLE OF 29°14'45", A CHORD BEARING S15°24'24"E, AN ARC DISTANCE OF 165.89 FEET; (11) ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 675.00 FEET, A CENTRAL ANGLE OF 26°48'50", A CHORD BEARING OF S16°37'22"E. AN ARC DISTANCE OF 315.89 FEET TO THE BOUNDARY OF REGENCY PLACE PHASE TWO, AS RECORDED IN PLAT BOOK 110, PAGES 8 AND 9, PUBLIC RECORDS OF POLK COUNTY, FLORIDA; RUN THENCE ALONG THE BOUNDARY OF SAID REGENCY PLACE PHASE TWO THE FOLLOWING EIGHT (8) COURSES AND DISTANCES; (1) S89°08'54"W, 105.11 FEET; (2) S49°52'16"W, 50.82 FEET; (3) S89°36'58"W, 105.00 FEET; (4) ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 425.00 FEET, A CENTRAL ANGLE OF 33°09'00". A CHORD BEARING S16°11'28"E, AN ARC DISTANCE OF 245.90 FEET; (5) S57°14'02"E, 104.96 FEET; (6) S23°00'16"E, 44.57 FEET; (7) ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 25.00 FEET, A CENTRAL ANGLE OF 60°29'54", A CHORD BEARING N76°14'27"E, AN ARC DISTANCE OF 26.40 FEET; (8) S00°51'06"E, 151.95 FEET; CONTINUE THENCE S00°51'06"E, 15.00 FEET; RUN THENCE S89°11'53"W PARALLEL TO THE SOUTH BOUNDARY OF THE NORTHEAST 1/4 OF SECTION 19, TOWNSHIP 26 SOUTH, RANGE 27 EAST, 570.30 FEET; RUN THENCE N00°11'32"W PARALLEL TO THE WEST BOUNDARY OF THE SOUTH 1/2 OF SAID NORTHEAST 1/4 OF SECTION 19, A DISTANCE OF 1290.15 FEET; RUN THENCE N89°14'27"E PARALLEL TO THE NORTH BOUNDARY OF THE SOUTH 1/2 OF SAID NORTHEAST 1/4 OF SECTION 19, A DISTANCE OF 307.48 FEET; RUN THENCE S00°45'33"E, 15.00 FEET TO THE POINT OF BEGINNING.

INSTR # 98179668
OR BK 04141 PG 1238
RECORDED 12/03/98 11:48 AM
RICHARD M. WEISS CLERK OF COURT
POLK COUNTY
DEPUTY CLERK S Caraway

R-

This instrument Prepared by and
Should be returned to:
Allen R. Smith, P.A.
322 4th Street, N. W.
Winter Haven, Fl. 33881

AMENDMENT TO DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR
REGENCY PLACE

THIS AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR REGENCY PLACE (the "Amendment") made and executed as of this 30th day of November, 1998 by ARDEN ESTATES - DAVENPORT LIMITED PARTNERSHIP, a Florida Limited Partnership, whose address is 111 W. Robinson Street, Orlando, Florida, 32801 (hereinafter referred to as the "Declarant").

WITNESSETH:

WHEREAS, Declarant, as the owner of certain real property located in Polk County, Florida, executed and recorded that certain Declaration of Covenants, Conditions and Restrictions for Regency Place, dated the 10th day of November, 1998 and recorded November 12, 1998 in Official Records Book 04129, page 0195, of the Public Records of Polk County, Florida, hereinafter referred to as the "Declaration"). All capitalized terms not defined herein shall have the meanings set forth in the Declaration; and

WHEREAS, Declarant, at the time the Declaration was executed, intended to **exclude** in the Declaration **Article IX** regarding Short Term Rentals. It was never Declarant's intention to include this Article in its Declaration of Covenants, Conditions and Restrictions for Regency Place.

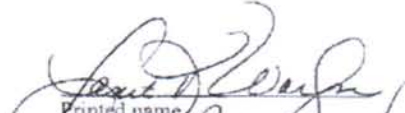
NOW, THEREFORE, Declarant hereby declares that the Declaration shall be modified and amended to exclude Article IX regarding Short Term Rentals, and that all of the property subject to the Declaration, shall be held sold and conveyed subject to the terms of the Declaration as hereby amended.

This Amendment contains each and every amendment and modification to the Declaration and except as amended herein, the terms, provisions, conditions and covenants of the Declaration shall remain in full force and effect.

IN WITNESS WHEREOF, Arden Estates-Davenport Limited Partnership, a Florida Limited Partnership has caused these presents to be signed in a manner and form sufficient to bind it this 1st day of December, 1998.


SIGNED SEALED AND DELIVERED
IN THE PRESENCE OF

Arden Estates-Davenport Limited
Partnership a FL Limited Partnership
BY: Hearthstone Advisors, Inc.
A California Corp. General Partner


Printed name
JANET R. WARGIN

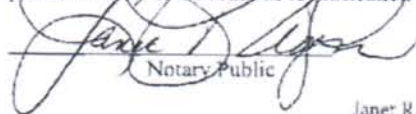


By: James K. Griffin, Jr., as
Senior Vice President


Printed name
JACK SHORT

State of Florida
County of Broward

The foregoing instrument was acknowledged before me this 2nd day of December, 1998 by James K. Griffin, Jr. as General Partner of Arden Estates-Davenport Limited Partnership, a Florida limited partnership, who is personally known to me or has produced a driver's license as identification.


Notary Public

Janet R. Wargin
Notary Public State of Florida
My Commission Expires Aug. 4, 2001
Commission CC656860