

This instrument prepared by and
after recording return to:

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CLERK OF CIRCUIT COURT

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DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
FOR QUAIL RIDGE, PHASE 3

2007

DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS FOR QUAIL RIDGE, PHASE 3

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**DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS FOR QUAIL RIDGE, PHASE 3**

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR QUAIL RIDGE, PHASE 3 is made this 9th day of December, 1999, by **Maronda Homes, Inc. of Florida**, a Florida corporation whose address is 4005 Maronda Way, Sanford, Florida 32771 ("Declarant").

RECITALS:

A. Declarant owns the Property located in Osceola County, Florida and described on Exhibit "A" attached hereto, which is also described in the Plat for Quail Ridge Phase 3 as recorded in the Public Records of Osceola County, Florida.

B. Declarant intends to develop the Property as a residential community to be known as "Quail Ridge, Phase 3" and to be comprised of building lots, streets, street lights, a master surface water management system, and other amenities and improvements, for the benefit of the residents of the Property.

C. Declarant desires to preserve and enhance the values and quality of life in the Property and the health, safety and welfare of the residents thereof, and to provide for the maintenance of certain areas and improvements which benefit the residents and the Property.

D. Declarant has incorporated a non-profit corporation to which will be conveyed title to certain property, and to which will be delegated the powers of and responsibility for maintaining and administering certain property and improvements, administering and enforcing this Declaration, and collecting and disbursing the monies derived from the assessments hereafter levied.

DECLARATIONS:

NOW, THEREFORE, Declarant declares that the Property is and shall be improved, held, transferred and occupied subject to this Declaration.

ARTICLE I

DEFINITIONS

When used in this Declaration, the following words shall have the following meanings:

(a) "Area of Common Responsibility" shall mean and refer to any land or improvement located in or near the Property which is not intended to be owned by the Association but which is intended to be operated, maintained or improved by the Association in the manner and to the extent determined from time to time by the Board.

Areas of Common Responsibility may be designated by this Declaration, a Supplemental Declaration, a contract entered into by the Association, or by a decision of the Board. Declarant hereby designates the following initial Areas of Common Responsibility:

(i) Road Rights-of-Way. Subject to any limitations imposed by governmental authority, the Association shall maintain, repair and replace the drainage improvements, signs, lighting fixtures, electrical equipment, irrigation lines and equipment, landscape materials and features, and other improvements from time to time located within the unpaved portion of the right-of-way of Osceola Parkway.

(ii) Street Lighting. Unless and until a municipal service taxing unit or similar mechanism assumes responsibility to maintain street lighting and to collect the funds necessary to pay the costs thereof, the Association shall arrange for and assess the Owners for the fixtures, electrical usage and other costs of street lighting for the Property and the entrance area described in Subsection (i), above.

(iii) Drainage Improvements within Easements. Unless and until a municipal service taxing unit or similar mechanism assumes responsibility to maintain the drainage improvements and to collect the funds necessary to pay the costs thereof, the Association shall maintain, repair and replace all drains, outfalls, piping, connections, manholes, retention ponds and areas, clean outs, catch basins and any other appurtenance contained within easements benefiting the Property in accordance with the Master Surface Water Management System permit issued by the District.

(iv) Drainage Improvements Within Unpaved Portions of Streets. The Association shall maintain, repair and replace the drainage improvements, if any, contained within the platted streets within the Property in accordance with the Master Surface Water Management System permit issued by the District.

(b) "Articles" shall mean and refer to the Articles of Incorporation of the Association. A copy of the initial Articles are attached as Exhibit "B" to this Declaration. The Articles may be amended as provided therein and it shall not be necessary to amend this Declaration in order to amend the Articles.

(c) "Association" shall mean and refer to Quail Ridge, Phase 3 Homeowners Association, Inc., a Florida corporation not for profit, and its successors and assigns.

(e) "Board" or "Board of Directors" shall mean and refer to the Board of Directors of the Association.

(f) "Bylaws" shall mean and refer to the Bylaws of the Association. A copy of the initial Bylaws are attached as Exhibit "C" to this Declaration. The Bylaws may be amended as provided therein and it shall not be necessary to amend this Declaration in order to amend the Bylaws.

(g) "Common Expense" shall mean and refer to the actual and estimated expense of operating the Association and meeting the costs to be incurred by the Association in performing its duties and in exercising its prerogatives, including without limitation the costs incurred for operation, maintenance, insurance and improvement of the Common Property and Areas of Common Responsibility, and for any reserves from time to time established by the Board.

(h) "Common Property" shall mean and refer to all real and personal property from time to time intended to be owned, operated and maintained by the Association and devoted to the use and enjoyment of all Members of the Association, all at Common Expense. Common Property shall include, but not be limited to, easement areas which are held by the Association as grantee.

(i) "Declarant" shall mean and refer to Maronda Homes, Inc. of Florida, a Florida corporation, and its successors and assigns. No successor or assignee of Declarant shall have any rights or obligations of Declarant hereunder unless such rights and obligations are specifically set forth in the instrument of succession or assignment, or unless such rights pass by operation of law.

(j) "Declaration" shall mean and refer to this Declaration of Covenants, Conditions and Restrictions for Quail Ridge, Phase 3.

(k) "District" shall mean and refer to the South Florida Water Management District, an agency created pursuant to Chapter 373, Florida Statutes.

(l) "Dwelling" shall mean and refer to a single family residence located on a Lot.

(m) "Lot" shall mean and refer to each residential building site created by any recorded plat of the Property, including any Dwelling located thereon once constructed.

(n) "Master Surface Water Management System" means the overall system designed, constructed and implemented upon the Property to control discharges caused by rainfall events, which system is intended to collect, convey, store, absorb, inhibit, treat, use or reuse surface water in order to prevent or reduce flooding, overdrainage, environmental degradation, and water pollution, or to affect the quality and quantity of discharges from the system, all as permitted by the District pursuant to Chapters 40E-4 and 40E, Florida Administrative Code, including without limitation all drains, outfalls, piping, connections, manholes, retention ponds and areas, underdrains, clean outs, catch basins and other related and appurtenant facilities.

(o) "Member" shall mean and refer to each Member of the Association as provided in Article III, Section 2.

(p) "Owner" shall mean and refer to the record holder, whether one or more persons or entities, of fee simple title to each Lot in the Property, but, notwithstanding any applicable theory of the law of mortgages, Owner shall not mean or

refer to any mortgagee unless and until such mortgagee has acquired title to a Lot pursuant to foreclosure proceeding or a conveyance in lieu of foreclosure. All owners of a single Lot shall be treated for all purposes as a single Owner, irrespective of whether such ownership is joint, in common, or tenancy by the entirety.

(q) "Property" shall mean and refer to the lands described on Exhibit "A" to this Declaration.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION

The Property is and shall be improved, held, transferred and occupied subject to this Declaration.

ARTICLE III

THE ASSOCIATION

Section 1. The Association. The Association is a nonprofit corporation charged with the duties and vested with the powers prescribed by law or set forth in the Articles, the Bylaws and this Declaration. Neither the Articles nor the Bylaws shall be amended or interpreted so as to be inconsistent with this Declaration. In the event of any such inconsistency, the provisions of this Declaration shall prevail. The officers and directors of the Association shall be required to be either (1) a Member of the Association, or (2) an officer, director or agent of Declarant or of one of Declarant's general partners. The Board, and such officers as the Board may appoint, shall conduct the affairs of the Association.

Section 2. Membership. Each Owner (including Declarant) shall be a Member of the Association. The Association membership of each Owner shall be appurtenant to and inseparable from the Lot giving rise to such membership, and any transfer of title to a Lot shall operate automatically to transfer to the new Owner the membership in the Association appurtenant to that Lot.

Section 3. Voting Rights. The Association shall have two (2) classes of voting membership:

(a) Class "A". Class "A" Members shall be all Owners, with the exception of Declarant for so long as Declarant retains Class "B" voting rights. Each Class "A" Member shall have one (1) vote for each Lot owned by that Member.

(b) Class "B". The sole Class "B" Member shall be Declarant. Declarant shall be entitled to three (3) votes for each Lot included in the Property. Upon the execution of this Declaration, Declarant shall have four hundred seventeen (417) Class "B" votes representing three (3) votes for each of the one hundred thirty-nine (139) Lots in the Property. The Class "B" Member shall be entitled to cast all of its votes in any vote or election held by the Association.

(c) Termination of Class "B" Membership. The number of Class "B" votes shall be reduced by one (1) vote for each Class "A" vote from time to time existing. The Class "B" membership shall terminate and become converted to Class "A" membership upon the earlier of the following:

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

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

(iii) At such earlier time as Declarant, in its discretion, may so elect.

Upon the happening of any one of these events, Declarant shall call a special meeting of the Members to advise the Association membership of the termination of Class "B" membership.

Section 4. Multiple Owners. Each vote in the Association must be cast as a single vote, and fractional votes shall not be allowed. If joint or multiple Owners are unable to agree among themselves as to how their vote is to be cast, or if more than one (1) vote is cast for any Lot, none of the votes for that Lot shall be counted. If any Owner casts a vote on behalf of a Lot, it shall be conclusively presumed that Owner was acting with the authority and consent of all other Owners of that Lot.

Section 5. Duties, Powers and Authority of the Association. The Association shall have all the powers of a non-profit corporation organized under the laws of Florida, subject only to such limitations as are set forth in the Articles, the Bylaws, or this Declaration. The Association shall have the power to do all lawful things which may be authorized, assigned, required or permitted to be done by this Declaration, the Articles, or the Bylaws, and to do and perform any and all acts which may be necessary or proper for, or incidental to, the exercise of any of the duties or powers of the Association for the benefit of the Owners and for the maintenance, administration and improvement of the Property and the Areas of Common Responsibility.

ARTICLE IV

PROPERTY RIGHTS IN THE COMMON PROPERTIES

Section 1. Easements. The Association and each Owner (including Declarant) shall have a non-exclusive right, privilege and easement of use and enjoyment in and to the Common Property, and such rights shall be appurtenant to and shall pass with the title to every Lot. Said rights shall include, but not be limited to, the following:

(a) Right-of-way for ingress and egress by vehicles and on foot through and across any streets, roads or walks in the Common Property for all lawful purposes; and

(b) Rights and easements to drain across the surface water drainage detention, retention and conveyance structures and areas, and to connect with, maintain and make use of utilities lines and facilities, to the extent such structures, areas, lines or facilities may from time to time exist in the Common Property; and

(c) Rights to use recreation areas within the Common Property, subject to rules and regulations of the Association, any restrictive covenants binding the use of such areas and restrictions imposed by any governmental law, ordinance, rule or regulation.

(d) Rights to use and enjoy the Common Property for any purpose not inconsistent with this Declaration, the Articles, the Bylaws, the rules and regulations of the Association, or applicable governmental regulations.

(e) Rights and license to enter upon the lands upon which Master Surface Water Management System is located (and any adjacent land to the extent reasonably necessary) for the purpose of constructing, installing, replacing, inspecting, maintaining and repairing any and all drainage facilities located therein

Section 2. Title to Common Property. Declarant shall convey to the Association fee simple title in and to the Common Property free and clear of all encumbrances except taxes, the applicable subdivision plat, this Declaration and any easements recorded in the public records prior to the conveyance to the Association. Once conveyed to the Association, the Common Property may not be mortgaged or further conveyed without the consent of at least two-thirds (2/3) of the Owners (excluding Declarant).

Section 3. Extent of Easements. The rights and easements created in this Article IV shall be governed by the following:

(a) Subject to any conflicting rights of Declarant and the Owners set forth in this Declaration, the Association shall be responsible for the exclusive management, control and maintenance of the Common Property.

(b) Declarant, until conveyance of title to the Association, and the Association thereafter, may reserve to itself or to grant or dedicate to Declarant, any Owner, any governmental agencies and/or to any utility companies, easements and rights-of-way, in, through, under, over and across the Common Property for the installation, use, maintenance and inspection of lines and appurtenances for public or private utilities, stormwater drainage improvements and areas, and for completion of the development. No improvement or material may be placed upon any such easement which may damage or interfere with the installation or maintenance of utilities or the easement area or that may alter or impede the direction or flow of drainage.

(c) Declarant's rights reserved in this Declaration.

(d) Matters shown on any plat of the Property.

Section 4. Easement Reserved to Declarant Over Common Property. Declarant hereby reserves such licenses, rights, privileges and easements in, through, over, upon and under all Common Property, including but not limited to, (i) the right to use Common Property for rights-of-way and easements to erect, install, maintain, inspect and use electric, lighting, telephone, telecommunications, cable television, gas, water, sewer and other drainage, utility and service poles, fixtures, wires, cables, conduits, mains, pipes, lines, meters, equipment, facilities, ponds swales, berms or ditches, and to use the Common Property for any other materials, equipment and services necessary or convenient for the completion, marketing, and use and enjoyment of the Property, (ii) the right to cut any trees, bushes or shrubbery, make any gradings of the soil, or take any other similar action reasonably necessary to provide economical and safe utility and drainage installation, and to maintain reasonable standards of health, convenience, safety and appearance, (iii) the right to locate thereon wells, pumping stations and irrigation systems and lines, (iv) the right and easement of ingress and egress for purposes of development, construction and marketing, and (v) such other rights as may be reasonably necessary to complete in an orderly and economic manner the development and sale of the Property; provided, however, that said reservation and right shall not be considered an obligation of Declarant to provide or maintain any such easement, utility, equipment or service. Declarant also reserves the right to connect with and make use of the utility lines and drainage improvements which may from time to time be in or along the streets and roads, or within the Common Property or platted easements. The easements and rights-of-way herein reserved shall continue in existence in favor of Declarant after conveyance of the Common Property to the Association until such time as Declarant has sold all Lots in the Property.

Section 5. Delegation of Rights. Any Owner (including Declarant) may grant the benefit of any easement, license, right or privilege to tenants and guests for the duration of their tenancies or visits, but the same are not intended nor shall they be construed as creating any rights in or for the benefit of the general public.

ARTICLE V

INSURANCE AND CASUALTY LOSSES

The Board may obtain fidelity bond coverage in its discretion. In addition, the Board may obtain insurance for insurable improvements on the Common Property, any Area of Common Responsibility, or on any easement benefiting the Owners or the Association, public liability policies covering the Association and Members for damage or injury caused by the negligence of the Association or any of its Members, guests or agents, directors' and officers' liability insurance, and any other types of insurance coverages as the Board may deem appropriate, with such insureds, deductibles, provisions and coverage types and amounts as shall be determined by the Board. Premiums for insurance so obtained shall be Common Expense. The Association may elect to self-insure against any risk.

ARTICLE VICOVENANT FOR MAINTENANCE ASSESSMENTSSection 1. Creation of Lien and Personal Obligation; Effect of Nonpayment.

(a) Declarant for each Lot owned by it in the Property, and each Owner other than Declarant by acceptance of title to any Lot, whether or not it shall be so expressed in any deed or other conveyance, shall be deemed to and hereby does covenant and agree to pay to the Association: (1) annual assessments or charges, (2) special assessments, (3) individual assessments, and (4) a one-time only initial assessment. Said assessments shall be fixed, established and assessed to the Owners as hereinafter provided. The assessments, together with interest thereon, late charges and costs of collection, including without limitation court costs and reasonable attorneys' and paralegals' fees (including such fees and costs before trial, at trial and on appeal), shall be a charge and a continuing lien upon the Lot against which such assessment is made, together with any Dwelling located on said Lot, from and after the date on which such assessment is due. Each such assessment, together with the aforementioned interest, late charges, costs and fees, shall also be the personal obligation of the person who was the Owner of the Lot at the time the assessment fell due.

If any assessment or installment thereon is not paid when due, then such assessment shall be deemed delinquent and the delinquent assessment, together with interest thereon and such late charges as shall be imposed by the Board at its discretion, and the cost of collection thereof, shall be secured by a continuing lien on the Lot as to which the assessment accrued, and upon the Dwelling located on that Lot. Such lien shall be prior to all other liens hereinafter created except taxes or assessments levied by governmental authority, and except as to the lien of any mortgage. The lien shall be prior to and superior in dignity to homestead status. The said lien shall bind such Lot and any Dwelling located thereon in the hands of the then Owner and each subsequent Owner. The personal obligation of the Owner to pay such delinquent assessment shall remain that Owner's personal obligation for the statutory period and personal liability shall not pass to the successors in title unless expressly assumed by them.

If the delinquent assessment or installment thereon is not paid within thirty (30) days after the due date, same shall bear interest from the date due at the highest lawful rate in Florida, or at such lesser rate as may be determined by the Board and uniformly applied, and the Association may bring an action for collection against the Owner personally obligated to pay the same and to foreclose the lien against the Lot and any Dwelling located thereon by judicial foreclosure in the same manner as foreclosure of a mortgage, and there shall be added to the amount of such assessment the aforesaid interest, late charges, costs of collection and attorneys' and paralegals' fees, as aforesaid, and the said fees and costs of collection shall be recoverable whether or not suit be brought. The Owner shall also be required to pay the Association any assessments against the Lot which become due during the period of foreclosure. The Association shall have the right and power to bid at the foreclosure sale and to own, sell, lease, encumber, use and otherwise deal with the Lot and any Dwelling located thereon as owner thereof.

(b) Exempt Property. The following property shall be exempt from the assessments, charges and liens created herein:

1. Common Property;
2. Lands owned by Declarant which have not been annexed to the Property by this Declaration or a Supplemental Declaration;
3. Lands which have been dedicated to Osceola County or other governmental authority, any utility company or the public; and
4. Lots owned by Declarant during the period of time that Declarant subsidizes the Common Expenses of the Association pursuant to Section 8 of this Article VI.

No other land or improvements in the Property shall be exempt from these assessments, charges or liens. No Owner may avoid assessment obligations by virtue of non-use or abandonment of the Common Property.

Section 2. Purpose of Assessments. The assessments levied by the Association may be used for the purpose of promoting the recreation, health, safety, and welfare of the Property and Owners thereof, for the performance by the Association of its duties and for the exercise of the powers conferred upon it, for the improvement, operation, insurance and maintenance of the Common Property and the Areas of Common Responsibility, and for any other purpose deemed desirable or appropriate by the Board, including without limitation any one or more of the following:

- (a) Payment of Association operating expenses;
- (b) Lighting, irrigation, maintenance, improvement and beautification of streets and easement areas, and acquisition, maintenance, repair and replacement of community identification signs and traffic control devices, and control and regulation of traffic in the Property;
- (c) To pay, contest or compromise real and personal property taxes and assessments separately levied upon or assessed against the Association or the Common Property;
- (d) Management, insurance, maintenance, repair, replacement, improvement and beautification of the Common Property, Areas of Common Responsibility, and easement areas benefiting the Association;
- (e) Repayment of deficits previously incurred by the Association, if any, in maintaining or making capital improvements to or upon the Common Property or the Areas of Common Responsibility, or in furnishing services to or for the Members of the Association;
- (f) Funding of appropriate reserves for future Common Expense;

(g) Procurement and maintenance of insurance, and employment of accountants, attorneys and other professionals to represent or advise the Association;

(h) Doing anything necessary or desirable in the judgment of the Board to keep the Property neat and attractive, to preserve or enhance the value thereof, to eliminate fire, health or safety hazards, or otherwise to benefit the Owners;

(i) Operation, maintenance and management of the Master Surface Water Management System for the Property in accordance with the terms of this Declaration and the permits, rules and requirements of the District;

(j) Monitoring of protected wetlands as required by the District; and

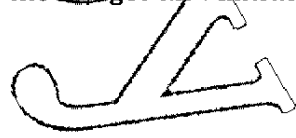
(k) Doing anything necessary or desirable in the judgement of the Board to keep the Property neat and attractive, to preserve or enhance the value thereof, to eliminate fire, health or safety hazards, or otherwise to benefit the Owners.

Section 3. Determination of Annual Assessments.

(a) Operating Budget. At least thirty (30) days prior to the end of the Association's fiscal year, the Board shall prepare a budget of the estimated costs of operating the Association during the coming year, including but not limited to operational items such as overhead and indirect costs, insurance, utilities, taxes, professional fees, repairs, reserves, maintenance and other operating expenses, as well as charges to cover any deficits from prior years, and capital improvement budget items approved by the Board under Subsection (b), below.

(b) Capital Budget. Each year, the Board shall prepare a capital budget taking into account the number, type, life expectancy and expected replacement cost of replaceable assets. The Board shall then set the required annual capital contribution in an amount sufficient to meet the projected capital needs of the Association on a timely basis. The annual capital contribution fixed by the Board shall then be included in the annual operating budget and annual assessments described in Subsection (a), above.

(c) Adoption of Operating Budget. The Board shall mail to each Member a copy of the capital budget, operating budget and projected annual assessments to be levied for the next fiscal year at least fifteen (15) days prior to the end of the Association's current fiscal year. The operating budget and annual assessments shall become effective unless and until disapproved at a special meeting of the Members held not later than sixty (60) days after the proposed budget and assessments are mailed to the Members. To be effective, the disapproval must be by a vote of two-thirds (2/3) of the membership of the Association. In the event that the membership so disapproves the operating budget for the succeeding year, or in the event the Board shall fail to propose a budget, then and until such time as a new budget shall have been determined, the budget and annual assessments for the preceding year shall continue in effect.



(d) Allocation of Annual Assessments Among Lots. The operating budget of the Association shall be assessed against all Owners and Lots in the Property in an equal amount per Lot.

Section 4. Special Assessments.

(a) Special Assessments. In addition to the annual assessments levied pursuant to Section 3, the Board may levy at any time a special assessment for the purpose of defraying the cost of any construction, repair or replacement of any improvement on the Common Property or Areas of Common Responsibility, or on any easement benefiting the Association, for the purpose of covering any budget deficits of the Association, or for any other purpose deemed desirable or appropriate by the Board; provided, however, that any such special assessment shall have the approval of a majority of the votes of the Members of each class who are in attendance and voting in person or by proxy at a meeting duly called for said purpose.

(b) Individual Assessment. The Board may levy an individual assessment against any Owner and that Owner's Lot and any Dwelling located thereon in order to cover costs incurred by the Association due to that Owner's failure to maintain its Lot or the Dwelling located thereon pursuant to the standards set forth in this Declaration, or to reimburse the Association for loss or damage to the Association or to any Common Property, Area of Common Responsibility or easement area caused by that Owner or his lessee, agent, contractor, guest or occupant, and not covered by insurance, or for any other purpose permitted by this Declaration.

Section 5. Commencement of Annual Assessments; Start-Up Assessment; Initial Annual Assessment; Due Dates. Annual assessments on the Lots in the Property shall commence upon the sale of the first Lot in the Property to a bona fide third party purchaser.

The annual assessment for the Property for the calendar year 2000 shall be One Hundred Fifty Dollars (\$150.00) per Lot. At the closing of the sale of each Lot in the Property by Declarant to the first purchaser from Declarant, the purchaser shall pay to the Association (i) a one time Start-Up Assessment in the amount of One Hundred Fifty Dollars (\$150.00), and (ii) the entire annual assessment for the calendar year of closing, prorated on a per diem basis from the date of closing through the end of that calendar year. Thereafter, annual assessments shall be due, in advance, on or before the commencement of the Association fiscal year for which imposed; but the Board may elect to collect annual assessments in monthly, quarterly or semi-annual installments. In the event of such deferred payments, the Board may but shall not be required to charge a uniform, lawful rate of interest on the unpaid balance. The Board may accelerate the balance of any annual assessment upon default in the payment of any installment thereon. Annual assessments which commence to accrue as to any Lot other than on the first day of the year shall be prorated for the balance of that year. After the one time Start-Up Assessment has been paid as to a Lot in the Property, subsequent purchasers of said Lot shall not be required to pay said Start-Up Assessment.

Section 6. Certificate of Payment. Upon request, the Association shall furnish to any Owner liable for assessment a certificate setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence in favor of third parties relying thereon of the payment of any assessment therein stated to have been paid.

Section 7. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage. Any mortgagee which obtains title to a Lot by foreclosure of a mortgage, or by voluntary conveyance in lieu of such foreclosure, shall not be liable for the assessments pertaining to such Lot or chargeable to the former Owner thereof which became due prior to the acquisition of title by said mortgagee. Such uncollected assessments, interest, late charges and collection costs incurred shall be deemed a Common Expense collectible from all Owners, including the acquiring mortgagee, on a pro-rata basis. Any such transfer to or by a mortgagee shall not relieve the transferee of responsibility nor the Lot from the lien for assessments thereafter falling due.

Section 8. Funding by Declarant. Notwithstanding anything contained in this Declaration to the contrary, Declarant shall not be obligated to pay any annual, special or individual assessment as to any Lot or Dwelling owned by it during any period of time that Declarant pays the Common Expense actually incurred over and above the income derived from annual, special and individual assessments collectible from the Class "A" Members. For purposes of this subsidy arrangement, Declarant need not subsidize or pay replacement reserves or capital expenditures. Declarant, at its option, may elect by written notice delivered to the Association at any time to abandon the subsidy approach and commence payment of the assessments thereafter falling due for the Lots then owned by Declarant, prorated as of the date of such notice. Declarant shall never be obligated to pay any individual assessment.

ARTICLE VII

ARCHITECTURAL CONTROL

Section 1. Architectural Control; ARB. All Lots and Dwellings in the Property are subject to architectural review. This review shall be in accordance with this Article and the Quail Ridge, Phase 3 Planning, Construction and Development Criteria ("the Planning Criteria") adopted and revised from time to time by the Architectural Review Board (the "ARB"). No sitework, landscaping, utility extension, drainage improvement, paving, parking area, swimming pool, pool enclosure, building, fence, wall, or any other physical or structural improvement, or change or alteration to the exterior of any existing structure or improvement, or to any existing landscaping, shall be commenced, erected or maintained until the plans showing such details as the nature, size, workmanship, design, shape, finished grade elevation, height, materials and color of the same together with a detailed landscape plan and a plot plan showing the location relative to boundaries and adjacent improvements of such proposed improvements or changes, shall have been approved in writing by the ARB.

It shall be the responsibility of each Owner at the time of construction of the Dwelling on that Owner's Lot to comply with the approved construction plans for the Master Surface Water Management System on file with the District.

The ARB shall promulgate and revise from time to time the Planning Criteria. The Planning Criteria shall be written and made available to all builders in the Property and to all Owners or prospective Owners. The Planning Criteria may include any matters considered appropriate by the ARB not inconsistent with the provisions of this Declaration.

So long as Declarant owns any Lots subject to this Declaration, Declarant shall be entitled to appoint all members of the ARB. Thereafter, the membership of the ARB shall be determined by the Board. The ARB shall consist of no less than three (3) members, none of whom shall be required to be Owners or occupants of the Property. Nothing herein shall limit the right of an Owner to finish or alter the interior of that Owner's Dwelling as that Owner desires. Decisions of the ARB shall be by majority action. No member of the ARB shall be entitled to compensation for services performed, but the ARB may employ professional advisors and pay reasonable compensation to such advisors at Common Expense.

Section 2. Approval or Disapproval. Unless waived by the ARB, all plans shall be prepared by an architect or engineer, said person to be employed by and at the expense of the Owner. Determinations by the ARB shall be binding on each Owner. If in its opinion, for any reason, including purely aesthetic reasons, the ARB should determine that a proposed improvement, alteration, etc. is not consistent with the Planning Criteria or the Declarant's development plan, or in the best interest of Quail Ridge, Phase 3, such alteration or improvement shall not be made. Approval of the plans may be withheld not only because of noncompliance with any of the specific conditions, covenants and restrictions contained in this Declaration, but also by virtue of the dissatisfaction of the ARB with the location of the structure on the Lot, the elevation, color scheme, finish, design, proportions, architecture, drainage plan, shape, height, style and appropriateness of the proposed structures or altered structures, the materials used therein, the planting, landscaping, size, height or location of vegetation on the Lot, or because of its reasonable dissatisfaction with any other matter or thing which, in the judgment of the ARB, will render the proposed item of improvement inharmonious with the general development plan or the Planning Criteria. Two (2) sets of plans, specifications and plot plans shall be submitted to the ARB by the Owner prior to applying for a building permit. The Owner shall obtain a written receipt for the plans and specifications from the ARB. Plans and re-submittals thereof shall be approved or disapproved within thirty (30) days after receipt of such submittal or re-submittal by the ARB. Failure of the ARB to respond in writing to a submittal or re-submittal of plans within such period shall be deemed to be approval of the plans as submitted or resubmitted. The ARB approval or disapproval shall be written and shall be accompanied by one (1) copy of the plans, etc., to be returned to the Owner. Whenever the ARB disapproves plans, the ARB shall specify the reason or reasons for such disapproval.

Section 3. Violations; Waiver. The work must be performed strictly in accordance with the plans as approved. If after plans have been approved, the improvements are

altered, erected, or maintained upon the Lot other than as approved, same shall be deemed to have been undertaken without ARB approval. After one (1) year from completion of any improvement, addition or alteration, said improvement shall, in favor of purchasers and encumbrances in good faith and for value, be deemed to comply with the provisions hereof unless a notice of such noncompliance executed by any member of the ARB shall appear in the Osceola County public records, or legal proceedings shall have been instituted to enjoin the noncompliance or to enforce compliance with these provisions.

Section 4. Variances. The ARB may grant variances from compliance with any of the architectural provisions of this Declaration or the Planning Criteria, including without limitation restrictions upon height, size or placement of structures, or similar restrictions, when circumstances such as topography, natural obstructions, hardship, aesthetic or environmental considerations may reasonably require. Such variances must be written and must be signed by at least two (2) members of the ARB. If variances are so granted, no violation of this Declaration shall be deemed to have occurred with respect to the matter for which the variance was granted. The granting of such a variance shall not operate to waive any of the terms and provisions of this Declaration or the Planning Criteria for any purpose except as to the particular Lot and the particular provision covered by the variance, nor shall it affect the Owner's obligation to comply with all applicable governmental laws and regulations.

Section 5. Waiver of Liability. None of Declarant, the ARB or the Association, or any agent or employee thereof, shall be liable to anyone submitting plans for approval or to any Owner, occupant or guest of the Property by reason of or in connection with approval or disapproval of any plans, or for any defect in any plans submitted, revised or approved in accordance with the requirements of the ARB, or for any structural or other defect in any work done according to such plans. Approval of plans, or any other approvals, variances or consents, are given solely to protect the aesthetics of the Property in the judgment of the ARB and shall not be deemed a warranty, representation or covenant that any action taken in reliance thereon complies with applicable laws, codes, rules or regulations, nor shall ARB approval be deemed approval of any plan or design from the standpoint of structural safety or conformity with building or other codes. Every person who submits plans for approval agrees, by submission of such plans, and every Owner or occupant of any Lot agrees, by acquiring title thereto or an interest therein, that it will not bring any action, proceeding or suit to recover any such damages.

Section 6. Enforcement of Planning Criteria. Declarant and the Association shall have the standing and authority on behalf of the Association to enforce in courts of competent jurisdiction the Planning Criteria and the decisions of the ARB. Should Declarant or the Association be required to enforce the provisions hereof by legal action, the reasonable attorneys' fees and costs incurred, whether or not judicial proceedings are involved, including the attorneys' fees and costs incurred on appeal from judicial proceedings, shall be collectible from the violating Owner. Should any Owner fail to comply with the requirements hereof after thirty (30) days' written notice, Declarant and the Association shall have the right but not the obligation to enter upon the Owner's property, make such corrections or modifications as are necessary, or remove anything in violation of the provisions hereof or the Planning Criteria, and charge the cost thereof to the Owner as

an individual assessment. Declarant and the Association, or their agents or employees, shall not be liable to the Owner or to any occupant or invitee of any Lot for any trespass or damages or injury to property or person for any action taken hereunder unless caused by gross negligence or intentional wrongdoing.

ARTICLE VIII

EXTERIOR MAINTENANCE

Section 1. Owner's Responsibility: Default. Each Owner shall keep and maintain the building improvements and landscaping located on that Owner's Lot in good and presentable condition and repair consistent with the approved plans therefor, and shall otherwise keep such Lot and all improvements located thereon in neat and attractive condition. To the extent not included in the areas required to be maintained by the Association pursuant to Section 4 of this Article, each Owner will, at that Owner's expense, grass over, mow and keep free of trash and debris, on a routine basis, those portions of the Master Surface Water Management System located on that Owner's Lot (whether or not included in a platted drainage easement). When required, major repairs to, and major maintenance and reconstruction of, components of the Master Surface Water Management System will be performed by the Association, at Common Expense. To the extent not maintained by the Association as an Area of Common Responsibility, each Owner will grass over, mow and keep free of trash and debris, on a routine basis, the vacant area lying within the unpaved portion of the internal street right(s) of way adjacent to that Owner's Lot. Each Owner shall be responsible for the maintenance, operation and repair of the swales on the Owner's property. Maintenance, operation and repair shall mean the exercise of practices, such as mowing and erosion repair, which allow the swales to provide drainage, water storage, conveyance or other stormwater management capabilities as permitted by the District. Filling, excavation, construction of fences or otherwise obstructing the surface water flow in the swales is prohibited.

Landscape maintenance shall include without limitation irrigation, fertilization, weeding, mowing, trimming, spraying and periodic replacement of damaged or diseased plantings.

The Association shall have the right but not the obligation to provide exterior repair and maintenance on any Lot or any improvement thereon in the event of default by any Owner in the duties hereby imposed. Prior to performing repair or maintenance on any Lot, the Board shall determine that same is in need of repair or maintenance and is detracting from the overall appearance of the Property. Except in emergency situations, prior to commencement of any work, the Board must furnish written notice to the Owner to the effect that, unless specified repairs or maintenance are commenced within fifteen (15) days after the mailing of the notice, and thereafter diligently pursued to completion, the Association may procure said repairs. Upon the Owner's failure to commence timely and to diligently pursue the repairs or maintenance, the Association and its agents or employees shall have the right to enter in or upon the Lot and the exterior of any improvement thereon to perform the repairs or maintenance specified in the notice. In this regard, the Association shall have the right to do such things as, but limited to, paint, repair, replace

and care for pools, pool enclosures, roofs, gutters, downspouts and exterior building surfaces, clean or resurface paved access ways and parking areas, trim and care for trees, shrubs, grass, walks, swales, berms and other landscaping and drainage improvements, as well as to provide general cleanup, shoreline maintenance, and removal of debris which in the opinion of the Board detracts from the overall beauty and setting of the Property. Declarant, the Association, and their respective agents and employees, shall have no liability to the Owner or any occupant or guest for trespass, or damage or injury to property or person as the result of actions taken hereunder unless caused by gross negligence or intentional wrongdoing.

Section 2. Assessment of Cost. The cost of any work performed by or at the request of the Association pursuant to Section 1 shall be assessed as an individual assessment against the Owner of the Lot upon which such work is done.

Section 3. Access at Reasonable Hours. In order to perform the repairs or maintenance authorized by this Article, the agents or employees of the Association may enter upon any Lot and the exterior of any improvement thereon during reasonable hours on any day except Sundays and holidays, except that in an emergency situation, as determined by the Board, entry may be made at any time.

Section 4. Association Maintenance Responsibility. The Association shall maintain and keep in good repair the Common Property and the Areas of Common Responsibility and the walls, landscaping, lighting, irrigation, sign, drainage and other improvements from time to time located thereon.

All portions of the Master Surface Water Management System for the Property, as approved and permitted by the District, shall be maintained by the Association, at Common Expense. Owners may also perform routine mowing and removal of trash and debris within those portions of Master Surface Water Management System lying within the Lots owned by them.

It is the responsibility of the Association, at Common Expense, to operate, maintain and repair the Master Surface Water Management System and to enforce, or to take such appropriate action as may be necessary to cure violations of, the routine maintenance and non-interference covenants of the Owners under this Declaration, and, when appropriate, to levy special assessments or individual assessments therefor.

Maintenance of the Master Surface Water Management System shall include the exercise of practices which allow the system to provide drainage, water storage, conveyance and other surface water management capabilities as permitted by the District. Any repair or reconstruction of the Master Surface Water Management System shall be as originally permitted or, if modified, as approved by the District.

The District shall also have the right to enforce the obligations of the Association described in this Section 4.

Section 5. Reciprocal Drainage Easement Agreement. There is a Reciprocal Drainage Easement Agreement recorded in Official Records Book 1211, Page 2456 of the Public Records of Osceola County Florida (the "Drainage Easement Agreement"), which encumbers Tracts F and G and a portion of Lots 43 and 44 of the Plat for Quail Ridge Phase 3 as recorded in the Public Records of Osceola County Florida. Pursuant to Section 7 of the Drainage Easement Agreement, Declarant assigns all of its rights, duties and obligations under the Drainage Easement Agreement to the Association. No individual Member of the Association shall have rights under the Drainage Easement Agreement.

Section 6. Maintenance of Wall along Osceola Parkway. Declarant has constructed a brick wall within a ten foot easement along the rear of Lots 1-14 and 85-106 as depicted on the plat for Quail Ridge Phase 3, as recorded in the Public Records of Osceola County Florida (the "Plat"). Pursuant to the Plat there also is an overlapping ten foot utility easement over those portions of Lots 1-14 and 85-106 which are adjacent to Osceola Parkway, for the location of an electrical line which was constructed by Kissimmee Utility Authority ("KUA") within said area. The location of the electrical line is near the current location of the brick wall. If KUA needs to repair said line and if such repair results in damage to the brick wall, the Association shall be responsible for the repair of the brick wall and shall not look to KUA for reimbursement, provided the damage to the brick wall does not result from the lack of due care by KUA.

ARTICLE IX

RESTRICTIVE COVENANTS

The Property shall be subject to the following covenants and restrictions which shall be binding upon each and every Owner and that Owner's Lot:

Section 1. Wells. Except for a water well for use only for air conditioning, heating or irrigation purposes, no individual water supply system shall be permitted on any Lot without the approval of the ARB.

Section 2. Obnoxious or Offensive Activity. No activity or use shall be allowed upon the Property which is a source of annoyance, embarrassment or discomfort to Owners or their tenants or invitees, or which interferes with the peaceful possession and proper use and enjoyment of the Property, nor shall any improper, unsightly, offensive or unlawful use be made of any Lot, Dwelling or the Common Property, and all laws and regulations of applicable governmental bodies shall be observed. The use, enjoyment and occupancy of the Property shall be in such a manner so as not to cause or produce any of the following effects discernible outside any Dwelling: noise or sound that is objectionable because of its volume, duration, beat, frequency or shrillness; smoke; noxious, toxic or corrosive fumes or gases; obnoxious odors; dust, dirt or fly ash; unusual fire or explosive hazards; vibration; or interference with normal television, radio or other telecommunication reception by other Owners.

Section 3. Rules and Regulations. Reasonable rules and regulations may be promulgated by the Board, after notice and hearing, as to the use and enjoyment of the Property and shall be observed by the Owners and occupants thereof. Such rules and regulations may involve such matters as air conditioning units, signs, mailboxes, temporary structures, noisy mufflers or other nuisances, garbage and trash disposal, parking, vehicle traffic and the state of repair of vehicles, tree removal, gutters, pets, game and play structures and devices, swimming pools, television and telecommunications devices and antennae, driveways, walkways, sight distances at intersections, garages, and fences. These matters are set out by way of illustration only and shall not be construed to limit the authority of the Board to promulgate and enforce reasonable rules and regulations. Such rules and regulations may augment or clarify the terms of this Declaration or any provision, covenant or restriction herein contained.

Section 4. Animals. Household Animals may be kept as pets only, and shall not be held or offered for sale or maintained or bred for any commercial use. No other animals, fowl, insects, reptiles or livestock shall be kept or maintained in the Property unless approved in advance by the Board. For the purposes of this section, "Household Animals" shall mean and refer only to dogs, housecats and other pets which are kept solely within the interior of a Dwelling, are not permitted outside without a leash, and which are not permitted to run loose on any occasion. No animal shall be permitted to remain if it disturbs the tranquility of the Property or the Owners or tenants thereof, or is dangerous, annoying, a nuisance or destructive, as determined by the Board after notice and hearing. Where more restrictive than the foregoing, all applicable leash laws shall be complied with at all times within the Property. No animal shelter shall be permitted outside.

Section 5. Garbage and Trash. No trash, garbage or other waste material or refuse shall be placed or stored on any part of the Property except in covered or sealed sanitary containers. All such sanitary containers must be stored within each Dwelling, buried underground, or placed within an enclosure or concealed by means of a screening wall approved by the ARB.

Section 6. Storage Receptacles. No fuel tanks or similar storage receptacles may be exposed to view, and same may be installed only within an approved accessory building, within a screened area, or buried underground, and shall otherwise comply with standards established from time to time by the ARB and all applicable laws.

Section 7. Vehicles. No vehicle may be parked on the Property except on paved streets and paved driveways. No inoperative vehicles shall be allowed to remain on the Property in excess of forty-eight (48) hours unless kept in a garage and not visible from the street or any other Lot. No trailers, boats, campers, trucks, mobile homes, or motorized recreational vehicles may be parked in the Property unless parked inside a garage. Trucks and vans, whether commercial or non-commercial, will be permitted provided that they comply with the foregoing and, unless on the Property solely for business or parked within a garage, further provided that they comply with the following:

1. they may not exceed one (1) ton carrying capacity;

2. they may not have camper shells extending more than twelve inches (12") over the cab roof;
3. any signboard or lettering is professionally applied to fenders, doors, tailgates, and panels of the vehicle;
4. the frame to ground clearance may not exceed twenty four inches (24"); and
5. they may not have added frames, racks, wooden shells or boxes.

Section 8. Temporary Structures. No building or structure of a temporary or portable character such as trailers, tents or shacks shall be permitted in the Property, except as approved by the ARB, and except for temporary improvements used solely in connection with the construction of approved permanent improvements and removed immediately upon completion of such construction. Neither Declarant nor any residential builder doing business in the Property shall not be prohibited from erecting or maintaining such temporary dwellings, model homes and other structures as Declarant or any building contractor may desire for development and marketing purposes, provided such are in compliance with the appropriate governmental requirements or regulations, and further provided that any builder first obtains Declarant's written approval of any such temporary dwelling, home or structure prior to installing or constructing same, such approval to be granted or denied by Declarant in Declarant's sole discretion.

Section 9. Signs. No signs, advertisements, billboards, solicitation or advertising structures or materials of any kind shall be displayed or placed upon any Lot without the prior written approval of the ARB; provided, however, street numbers and name signs on Lots and one sign containing not more than eight (8) square feet of surface area per side (2 sides maximum) and used solely in connection with the marketing of the affected Lot for sale or lease shall be permitted without prior approval. Declarant or the Association may enter upon any Lot and remove and destroy any sign which violates this section. This section shall not apply to Declarant or to any residential builder doing business in the Property provided that any such builder first obtains Declarant's written approval of any such structures or materials prior to installing same, such approval to be granted or denied by Declarant in Declarant's sole discretion.

Section 10. Air-Conditioning Equipment. No air conditioning equipment other than compressor units may be visible on the exterior of any Dwelling unless approved by the ARB, which approval may be based on the adequacy of screening of such equipment. The ARB may prohibit window or wall air conditioning units altogether.

Section 11. Drainage Structures. Unless first approved by the ARB and the District, no Owner other than the Declarant may obstruct, alter or in any way modify the method and/or structures of drainage utilized or installed by Declarant or the Association from, on or across any Lot, Common Property or easement area; nor shall any structure or material be erected, placed or maintained which shall in any way obstruct such drainage devices or facilities or impede their efficient operation. No elevation changes shall be

permitted on any Lot which materially adversely affect the drainage of or to neighboring Lots or the Common Property.

Section 12. Exterior Electronic or Electric Devices. No exterior telecommunications, radio, microwave or television mast, tower, pole, wire, aerial, satellite receiving stations or dish, antenna or appurtenances thereto, nor any other exterior electronic or electric equipment, structures or devices of any kind may be installed or maintained in the Property without the prior written approval of the ARB.

Section 13. Subdivision. No part of the Property shall be further subdivided without the prior written consent of Declarant for so long as Declarant owns any Lot, and thereafter by the Board.

Section 14. Completion of Construction. Upon commencement of construction of any improvements on any Lot, the Owner shall diligently prosecute the work to the end that the improvements shall be completed as expeditiously as is reasonable. The Owner of the Lot on which improvements are being built must keep the streets and areas adjacent to the Lot free from any dirt, mud, garbage, trash or other debris occasioned by the construction.

Section 15. Excavation. No clearing or excavation shall be made except incident to construction, maintenance or repair of an improvement; and upon completion thereof exposed openings shall be backfilled, and disturbed ground shall be leveled, graded and sodded or seeded in accordance with the approved landscape plan.

Section 16. Fences and Walls. Except for walls constructed by Declarant, there shall be no fence or wall permitted on any Lot unless it meets the requirements below and has been approved by the ARB as to size, material, color, location, etc. Landscape buffers may be required by the ARB on the outside of any fences and walls. All wood fences must be installed with the posts and supports on the inside. No fence or wall may be constructed in the following areas of any Lot:

- (1) Between the street along the front of the Dwelling and a straight line being the extensions of the surface of the furthest set back portion of the front side of the Dwelling to each of the two side lot lines; or
- (2) Between the street facing a side of the Dwelling and the side yard setback line for that Lot.
- (3) Any easement area shown on any plat of the Property, other than a drainage easement. Any fence or wall within a drainage easement area must comply with Section 11 of this Article IX.

Notwithstanding anything herein to the contrary, so long as Declarant or builders designated by Declarant maintain any model homes within the Property, they shall have the right to fence all or any part of any Lots being used for parking for the term of such use.

Section 17. Yard Accessories and Play Structures. All yard accessories, play structures and any other fixed games, excluding basketball hoops and structures, shall be located at the side or rear of the Dwelling on non-corner Lots, and to the rear of the Dwelling on any corner Lot. Basketball structures, either permanently mounted to the Dwelling above the garage or mounted to a permanent pole, will be allowed only under the following conditions:

1. basketball hoops and structures must be well-maintained;
2. backboards must be transparent or white, NBA approved, with a limit of two colors of trim;
3. nets are limited to white nylon; and
4. the location of the basketball hoop and structure must first be approved by the ARB.

If pole-mounted, the pole must be metal, either black or galvanized and permanently mounted into the ground with a concrete base. No permanent basketball structures may be placed in any side yard.

Section 18. Trees. Trees measuring six inches (6") or more in diameter at three feet (3') or more above ground level shall not be cut or removed from the Property without the prior written consent of the ARB unless the trees are located within six feet (6') of the Dwelling or its proposed location as approved by the ARB. More restrictive arbor ordinances or environmental laws shall control in the event of conflict herewith.

Section 19. Use. Lots shall be used for single family residential purposes only; provided, however, there shall be no prohibition, or minimum time period, imposed on the lease or rental of any Lot or Dwelling.

Section 20. Pools. Swimming pools may not be located in the front or side yard of any Lot, nor nearer than the Dwelling to any side street lot line.

Section 21. Dwellings and Garages.

(a) No Dwelling shall have a heated area of less than one thousand (1,000) square feet, exclusive of screened area, open porches, terraces, patios and garage. In the case of two-story or split-level Dwellings, the ground floor must be no less than five hundred (500) heated square feet, exclusive of screened areas, open porches, terraces, patios and garage.

(b) No Dwelling shall exceed two (2) stories in height.

(c) No projections of any type shall be placed or permitted to remain above any roof of the Dwelling with the exception of chimneys and vent stacks.

(d) No Dwelling shall have exposed structural block on its front elevation.

(e) All driveways shall be constructed of solid concrete or decorative pavers approved by the ARB.

(f) All oil tanks, gas tanks, soft water tanks, wood piles, water softeners, well pumps, sprinkler pumps, pool and spa equipment and heaters, and similar mechanical fixtures and equipment, shall be fenced or screened, as approved by the ARB, on three sides so as not to be visible from the front street or side adjoining Lots. This provision shall not apply to air conditioning compressor units (see Section 10).

(g) All Dwellings shall have at least a two (2) car garage, which shall not be enclosed for use as a living area.

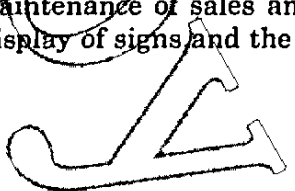
Section 22. Tree Removal and Landscaping. There shall be no removal of trees or clearing of a Lot, other than clearing of underbrush, until such time as the ARB has approved in writing a general, conceptual landscape plan that designates those existing trees to be retained and preserved on the Lot. All Lots shall have fully sodded front and side lawns except in approved landscape or retained natural areas. Unless prohibited by law or other provisions of this Declaration, natural vegetation shall be finished by removal of underbrush and mulch.

Section 23. Refuse Collection. All trash, garbage or other refuse shall be placed for pickup not earlier than the evening preceding pickup, and any and all containers for such trash, garbage or refuse shall be returned no later than the evening of pickup to their normal, hidden location. Except for normal construction debris on any Lot during the course of construction of the Dwelling, no weeds, rubbish, debris, objects or materials of any kind shall be placed or permitted to accumulate upon any portion of the Property.

Section 24. Pumping from or Draining Wet Areas. The Owner of any Lot which includes or is adjacent to any pond, creek, bayhead, or other body of water shall not reduce the depth or size of said body of water by pumping or draining therefrom.

Section 25. Ramps. No skateboard or bicycle ramp or similar structure shall be permanently installed or maintained overnight on any portion of any Lot located forward of the rear wall of the Dwelling or adjacent to any side street.

Section 26. Declarant Reservation. Any of the restrictive covenants herein contained or any other provision of this Declaration to the contrary notwithstanding, until Declarant has completed all of the contemplated improvements and closed the sales of all of the Lots, neither the Owners nor the Association shall interfere with the completion of the contemplated improvements and the sale of the Lots. Declarant may make such lawful use of the unsold Lots and the Common Property, without charge, as may facilitate such completion and sale, including, but not limited to, maintenance of sales and construction trailers and offices, the showing of the Lots and the display of signs and the use of Lots for vehicular parking.



Section 27. Mailboxes. Community mailboxes may be provided by the U.S. Post Office and individual mailboxes on each Lot shall be prohibited while community mailboxes are utilized by the U.S. Post Office.

ARTICLE X

ADDITIONAL COVENANTS AND RESTRICTIONS

No Owner may impose any additional covenants or restrictions on any part of the Property without the prior written approval of Declarant, for so long as Declarant owns any Lots, and thereafter without the prior written approval of the Board.

ARTICLE XI

AMENDMENT

The holders of at least two-thirds (2/3) of the votes in the Association (without regard to class) may change or amend any provision hereof either (1) by executing a written instrument in recordable form setting forth such amendment, or (2) by causing a certified copy of a duly adopted resolution of the Owners to be prepared, and having the same recorded in the Public Records of Osceola County; provided, however, any amendment to this Declaration which alters the Master Surface Water Management System, beyond maintenance in its original condition, must have the prior written approval of the District. A proposed amendment may be initiated by Declarant, the Association, or petition signed by ten percent (10%) of the Owners. If a proposed amendment is to be adopted by vote, a written copy of the proposed amendment shall be furnished to each Owner at least thirty (30) days but not more than ninety (90) days prior to the meeting to discuss the proposed amendment. If adopted by vote, the affirmative vote required for adoption shall be two-thirds (2/3) of the votes of the Members (without regard to class) cast in person or by proxy at a meeting duly called, and the recorded certificate shall contain a recitation that notice was given as above set forth and said recitation shall be conclusive as to all parties, and all parties of any nature whatsoever shall have full right to rely upon said recitation in such recorded certificate. The amendment shall be effective upon recordation of the executed amendment, or the certified copy of the duly adopted resolution, among the Public Records of Osceola County.

ARTICLE XII

HUD/FHA/VA AND DISTRICT APPROVAL RIGHTS

Notwithstanding anything in this Declaration to the contrary, as long as there exists a Class "B" membership, if any one or more of the HUD, FHA or VA requires approval or consent by it or them related to any merger or consolidation involving the Association, the placing of any mortgage lien on the Common Property, dedication to the public of any Common Property, any amendment of this Declaration, or dissolution of the Association, by any one or more of said agencies as a condition of making, insuring or purchasing loans on Dwellings in the Property, and any such loan has been approved, insured or purchased by

the applicable agency at the time of the proposed annexation, merger, consolidation, mortgaging, dedication, amendment or dissolution, then Declarant shall obtain the required consent or approval. In addition, this Declaration may not be amended without the prior written consent of the District if such amendment would change any of the provisions of this Declaration governing or affecting the operation, maintenance or repair of the Master Surface Water Management System for the Property.

ARTICLE XIII

DURATION AND TERMINATION

This Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by Declarant, the Association and any Owner, and their respective legal representatives, heirs, successors and assigns, for a term of thirty (30) years from the date this Declaration is recorded in the public records, after which time this shall be automatically extended for successive periods of ten (10) years unless prior to the commencement of any 10-year extension period an instrument signed by the Owners of eighty percent (80%) of the Lots and agreeing to terminate this Declaration is recorded in the Public Records of Osceola County.

ARTICLE XIV

ENFORCEMENT

Section 1. Remedies. If any person or entity shall violate or attempt to violate the terms of this Declaration, it shall be lawful for Declarant, any Owner, or the Association: (a) to prosecute proceedings for the recovery of damages against those so violating or attempting to violate the terms of this Declaration; (b) to maintain a proceeding in any court of competent jurisdiction against those so violating or attempting to violate the terms of this Declaration, for the purpose of preventing or enjoining all or any such violations or attempted violations; or (c) to maintain a proceeding for any other equitable or legal recourse or remedy available at law or in equity. In addition, whenever there shall have been built, or there shall exist on any Lot, any structure, building, thing or condition which is in violation of this Declaration, Declarant or the Association (but not any Owner) shall have the right, but not the obligation, to enter upon the Lot where such violation exists and summarily to abate and remove the same, all at the expense of the Owner of such Lot, which expense shall constitute an individual assessment which shall be treated and shall be collected as set forth in Section 1 of Article VI, and such entry and abatement or removal shall not be deemed a trespass or make Declarant or Association, or the agents or employees of either, liable in any way to anyone for any damages on account thereof. The remedies contained in this provision shall be construed as cumulative of all other remedies now or hereafter provided by law or elsewhere in this Declaration. The failure of Declarant, the Association, or an Owner to enforce any covenant or restriction or any obligation, right, power, privilege, authority or reservation herein contained, however long continued, shall in no event be deemed a waiver of the right to enforce the same thereafter as to the same breach or violation, or as to any other breach or violation thereof occurring prior or subsequent thereto.

The District shall also have the right to enforce the provisions of this Declaration which relate to operation, maintenance and management of the Master Surface Water Management System for the Property pursuant to the rules, requirements and permit promulgated by the District.

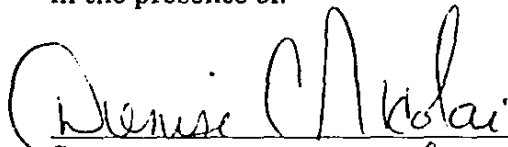
Section 2. Severability. The invalidation of any provision or provisions of the covenants and restrictions set forth herein by judgment or court order shall not affect or modify any of the other provisions of said covenants and restrictions, which other provisions shall remain in full force and effect.

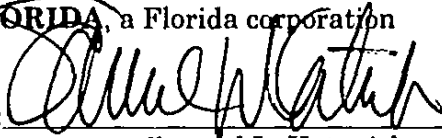
Section 3. Notices. All notices shall be written. Any notice sent to an Owner shall be deemed to have been properly sent when hand delivered or when mailed, postpaid, to the last known address of the person who appears as Owner on the records of the Association at the time of such mailing. Notices may be sent by like method to Declarant at the address set forth in the preamble to this Declaration, and by like method to the Association at its address last registered with the Office of the Secretary of State, State of Florida.

IN WITNESS WHEREOF, Declarant has executed this Declaration on the day and year first above written.

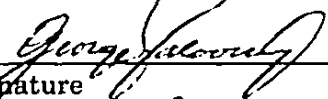
Signed, sealed and delivered
in the presence of:

**MARONDA HOMES, INC. OF
FLORIDA**, a Florida corporation


Signature
Print Name: Denise C. Nicolai

By: 
Name: Samuel L. Katanich
Title: President

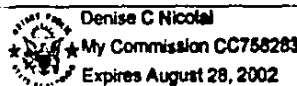
(CORPORATE SEAL)


Signature
Print Name: GEORGE JATOVECKY

STATE OF FLORIDA)
COUNTY OF Seminole)

The foregoing instrument was acknowledged before me this 9 day of December 1999 by Samuel L. Katanich, the President of Maronda Homes, Inc. of Florida, a Florida corporation, on behalf of the said corporation. He ☒ is personally known to me or ☐ has produced _____ as identification.

(NOTARY STAMP)



Name: Denise C. Nicolai

Title: Notary Public

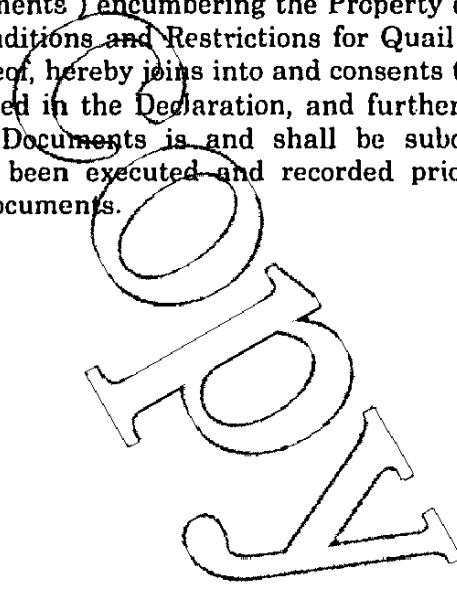
My Commission Expires:

Aug. 28, 2002

JOINDER AND CONSENT BY MORTGAGEE

KNOW ALL MEN BY THESE PRESENTS:

THAT BANK OF AMERICA, N.A., formerly NATIONSBANK, N.A., a national banking association, f/k/a NationsBank of Florida, N.A. and NationsBank, N.A. (South) ("Mortgagee"), whose address is 750 South Orlando Avenue, Suite 101, Winter Park, Florida 32789, the owner and holder of that certain Mortgage, Assignment of Rents and Security Agreement executed by Maronda Homes, Inc. of Florida, in favor of NationsBank, N. A. (South) dated October 1, 1996 and filed October 17, 1996 in Official Records Book 1356, Page 21; as amended and modified by Notice of Future Advance, Mortgage Spreader and Modification Agreement filed January 8, 1997 in Official Records Book 1372, Page 1710; Notice of Future Advance, Mortgage Spreader and Modification Agreement filed February 10, 1997 in Official Records Book 1379, Page 1215; Notice of Future Advance, Mortgage Spreader and Modification Agreement filed April 18, 1997 in Official Records Book 1395, Page 1219; Notice of Future Advance, Mortgage Modification and Spreader Agreement filed April 22, 1997 in Official Records Book 1396, Page 490; Notice of Future Advance, Mortgage Spreader and Modification Agreement filed June 19, 1997 in Official Records Book 1409, Page 1363; Notice of Future Advance, Mortgage Spreader and Modification Agreement filed July 21, 1997 in Official Records Book 1418, Page 1167; Notice of Future Advance Mortgage Spreader and Modification Agreement filed September 16, 1997 in Official Records Book 1434, Page 1035; Notice of Future Advance Mortgage Spreader and Modification Agreement filed July 23, 1998 in Official Records Book 1518, Page 1951; Notice of Future Advance, Mortgage Spreader and Modification Agreement filed April 8, 1999 in Official Records Book 1602, Page 1610; Second Notice of Future Advance and Mortgage Modification Agreement filed May 17, 1999 in Official Records Book 1615, Page 2677; Notice of Future Advance, Mortgage Spreader and Modification filed June 17, 1999 in Official Records Book 1627, Page 1517, all of the Public Records of Osceola County, Florida (collectively, the "Security Documents") encumbering the Property described in the foregoing Declaration of Covenants, Conditions and Restrictions for Quail Ridge, Phase 3 (the "Declaration"), by the execution hereof, hereby joins into and consents to the placing of the Declaration on the Property described in the Declaration, and further covenants and agrees that the lien of the Security Documents is and shall be subordinate to the Declaration as if the Declaration had been executed and recorded prior to execution, delivery or recordation of the Security Documents.



CL 2000025489

OR 1705/145

IN WITNESS WHEREOF, Mortgagee has executed this Joinder and Consent of Mortgagee this 7th day of December, 1999.

Signed, sealed and delivered
in the presence of:

BANK OF AMERICA, N.A., a national
Banking Association, f/k/a
NATIONSBANK, N.A., f/k/a
NATIONSBANK OF FLORIDA, N.A.,
and f/k/a NATIONSBANK, N.A.
(SOUTH)

Judith Ann Lebnick
Print Name: Judith Ann Lebnick

N.J. Clark-Vance
Print Name: N.J. Clark-Vance

By: [Signature]
Name: Daniel G. Finnegan
Title: Senior Vice President

(CORPORATE SEAL)

STATE OF FLORIDA)
COUNTY OF Orange) SS:

The foregoing instrument was acknowledged before me this 7th day of December, 1999 by Daniel G. Finnegan, Senior Vice President of Bank of America, N.A., a national banking association, on behalf of the said association. He ☒ is personally known to me or ☐ has produced _____ as identification.

(NOTARY STAMP)

[Signature]
Signature of Person Taking Acknowledgment
Print Name: _____
Title: Notary Public
Serial No. (if any): _____
Commission Expires: _____

ORL1 #488416 v1

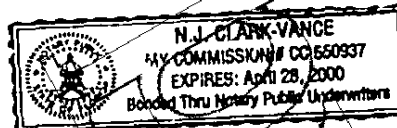


Exhibit "A"**QUAIL RIDGE - PHASE 3**

A portion of Section 5, Township 25 South, Range 30 East, Osceola County, Florida, being more particularly described as follows:


BEGIN at the northeast corner of "**BRIDGEWATER**", according to the plat thereof, as recorded in Plat Book 7, Pages 14, 15 & 16, Public Records of Osceola County, Florida, said point being a point on the southerly right-of-way line of the Osceola Parkway and being a point on a non-tangent curve, concave southerly, having a radius of 2320.00 feet and a central angle of 28°31'27"; thence along said southerly right-of-way line, the following two (2) courses and distances; thence on a chord bearing of S 86°22'35" E, run 1155.00 feet along the arc of said curve to the point of tangency thereof; thence run S 72°06'51" E, a distance of 1507.22 feet to the northwest corner of Tract G1, "**SARATOGA PARK**", according to the plat thereof, as recorded in Plat Book 10, Pages 123 - 125, Public Records of Osceola County, Florida; thence run S 17°53'09" W, along the west line of said Tract G1, a distance of 381.11 feet to a point on the south line of the Northeast 1/4 of the Northwest 1/4 of said Section 5; thence run S 89°51'13" W, along said south line and along the north line of said "**SARATOGA PARK**", a distance of 1258.22 feet to the southwest corner of the Northeast 1/4 of the Northwest 1/4 of said Section 5, said point being the northwest corner of said "**SARATOGA PARK**"; thence run S 00°07'50" W, along the west line of said "**SARATOGA PARK**", a distance of 604.23 feet; thence run S 89°48'01" W, a distance of 852.45 feet to the southeast corner of said plat of "**BRIDGEWATER**"; thence along the east boundary of said plat of "**BRIDGEWATER**", the following courses and distances; thence run N 27°13'52" W, a distance of 419.84 feet; thence run N 50°35'41" W, a distance of 370.00 feet; thence run N 00°10'51" E, a distance of 601.09 feet; thence run S 89°49'09" E, a distance of 270.00 feet; thence run N 28°09'15" W, a distance of 240.00 feet; thence run N 16°52'33" W, a distance of 92.19 feet to the **POINT OF BEGINNING**.

EXHIBIT "B"

ARTICLES OF INCORPORATION

COPIES

State of Florida



Department of State

I certify from the records of this office that QUAIL RIDGE, PEASE 3 HOMEOWNERS ASSOCIATION, INC. is a corporation organized under the laws of the State of Florida, filed on October 13, 1999.

The document number of this corporation is N99000006070.

I further certify that said corporation has paid all fees due this office through December 31, 1999, and its status is active.

I further certify that said corporation has not filed Articles of Dissolution.

I further certify that this is an electronically transmitted certificate authorized by section 15.16, Florida Statutes, and authenticated by the code, 899A00049496-101399-N99000006070-1/1, noted below.

Given under my hand and the
Great Seal of the State of Florida,
at Tallahassee, the Capital, this the
Thirteenth day of October, 1999

Authentication Code: 899A00049496-101399-N99000006070-1/1



CR2EO22 (1-99)

Katherine Harris

Katherine Harris
Secretary of State



CL 2000025489

OR 1705/149

FLORIDA DEPARTMENT OF STATE
Katherine Harris
Secretary of State

October 13, 1999

QUAIL RIDGE, PHASE 3 HOMEOWNERS ASSOCIATION, INC.
4005 MARONDA WAY
SANFORD, FL 32771

The Articles of Incorporation for QUAIL RIDGE, PHASE 3 HOMEOWNERS ASSOCIATION, INC. were filed on October 13, 1999, and assigned document number N99000006070. Please refer to this number whenever corresponding with this office.

Enclosed is the certification requested. To be official, the certification for a certified copy must be attached to the original document that was electronically submitted and filed under FAX audit number H99000025824.

A corporation annual report will be due this office between January 1 and May 1 of the year following the calendar year of the file date year. A Federal Employer Identification (FEI) number will be required before this report can be filed. Please apply NOW with the Internal Revenue Service by calling 1-800-829-3676 and requesting form SS-4.

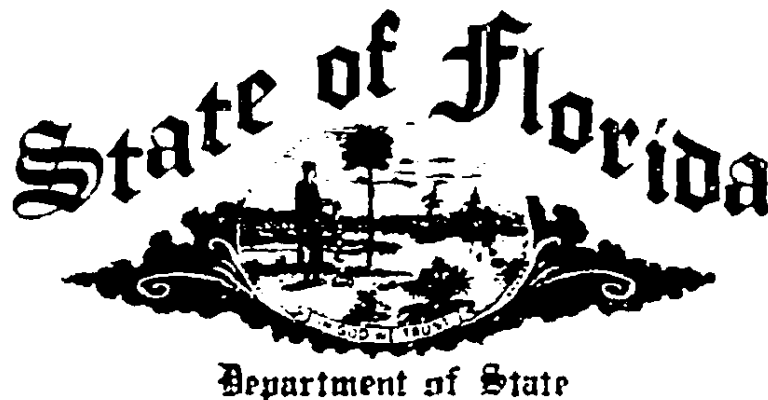
Please be aware if the corporate address changes, it is the responsibility of the corporation to notify this office.

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

Neysa Culligan
Document Specialist
New Filings Section
Division of Corporations

Letter Number: 899A00049496

Division of Corporations - P.O. BOX 6327 -Tallahassee, Florida 32314



I certify the attached is a true and correct copy of the Articles of Incorporation of QUAIL RIDGE, PHASE 3 HOMEOWNERS ASSOCIATION, INC., a Florida corporation, filed on October 13, 1999, as shown by the records of this office.

I further certify the document was electronically received under FAX audit number H99000025824. This certificate is issued in accordance with section 15.16, Florida Statutes, and authenticated by the code noted below.

The document number of this corporation is N99000006070.

Given under my hand and the
Great Seal of the State of Florida,
at Tallahassee, the Capital, this the
Thirteenth day of October, 1999

Authentication Code: 899A00049496-101399-N99000006070-1/1



CR2EO22 (1-99)

Katherine Harris
Katherine Harris
Secretary of State

ARTICLES OF INCORPORATION
OF
QUAIL RIDGE, PHASE 3 HOMEOWNERS ASSOCIATION, INC.

The undersigned Incorporator, desiring to form a corporation not for profit under Chapter 617, Florida Statutes, as amended, hereby adopts the following Articles of Incorporation:

ARTICLE I

DEFINITIONS

When used in these Articles, the following words shall have the following meanings:

(a) "Additional Property" shall mean and refer to those lands (excluding the Property), together with any improvements thereon, which are made subject to the Declaration by annexation pursuant to Article II of the Declaration.

(b) "Area of Common Responsibility" shall mean and refer to any land or improvement located in or near the Property which is not intended to be owned by the Association but which is intended to be operated, maintained or improved by the Association in the manner and to the extent determined from time to time by the Board. Areas of Common Responsibility may be designated by the Declaration, a Supplemental Declaration, a contract entered into by the Association, or by a decision of the Board.

(c) "Articles" shall mean and refer to these Articles of Incorporation of the Association.

(d) "Association" shall mean and refer to Quail Ridge, Phase 3 Homeowners Association, Inc., a Florida corporation not for profit.

(e) "Board" or "Board of Directors" shall mean and refer to the Board of Directors of the Association.

(f) "Bylaws" shall mean and refer to the Bylaws of the Association.

(g) "Common Expense" shall mean and refer to the actual and estimated expense of operating the Association and meeting the costs to be incurred by the Association in performing its duties and in exercising its prerogatives, including without limitation the costs incurred for operation, maintenance, insurance and improvement of the Common Property and Areas of Common Responsibility, and for any reserves from time to time established by the Board.

(h) "Common Property" shall mean and refer to all real and personal property from time to time intended to be owned, operated and maintained by the Association and devoted to the use and enjoyment of all Members of the Association, all at Common Expense. Common Property shall include, but not be limited to, easement areas which are held by the Association as grantee.

(i) "Declarant" shall mean and refer to Maronda Homes, Inc. of Florida, a Florida corporation, its successors and assigns.

(j) "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions for Quail Ridge, Phase 3, recorded or to be recorded in the Public Records of Osceola County, Florida, as amended and supplemented from time to time.

(k) "District" shall mean and refer to the South Florida Water Management District, an agency created pursuant to Chapter 373, Florida Statutes.

(l) "Dwelling" shall mean and refer to a single family residence located on a Lot.

(m) "Lot" shall mean and refer to each residential building site created by any recorded plat of the Property, including any Dwelling located thereon once constructed.

(n) "Member" shall mean and refer to each Member of the Association as provided in these Articles.

(o) "Owner" shall mean and refer to the record holder, whether one or more persons or entities, of fee simple title to each Lot in the Property, but, notwithstanding any applicable theory of the law of mortgages, Owner shall not mean or refer to any mortgagee unless and until such mortgagee has acquired title to a Lot pursuant to foreclosure proceeding or a conveyance in lieu of foreclosure. All owners of a single Lot shall be treated for all purposes as a single Owner, irrespective of whether such ownership is joint, in common or tenancy by the entirety.

(p) "Property" shall mean and refer to the lands described on Exhibit "A" to the Declaration, together with any Additional Property hereafter annexed to the Declaration.

(q) "Supplemental Declaration" shall mean and refer to any instrument which extends the effect of the Declaration to Additional Property.

(r) "Master Surface Water Management System" means the surface water management system permitted and approved for the Property by the District, as more particularly described in the Declaration.

ARTICLE II

NAME

The name of the Association is: "Quail Ridge, Phase 3 Homeowners Association, Inc."

ARTICLE III

PRINCIPAL OFFICE

The principal office of the Association is located at 4005 Maronda Way, Sanford, Florida 32771.

ARTICLE IV

REGISTERED AGENT AND OFFICE

Samuel L. Katanich, whose address is 4005 Maronda Way, Sanford, Florida 32771, is hereby appointed the initial Registered Agent of the Association to accept service of process within the State of Florida at said address.

ARTICLE V

PURPOSE AND POWERS OF THE ASSOCIATION

The Association does not contemplate pecuniary gain or profit to the Members thereof. The specific purpose for which the Association is formed is to own, maintain and administer the Common Property, administer and enforce the Declaration, collect and disburse the money derived from assessments, exercise all of the powers and privileges, and perform all of the duties and obligations, of the Association as set forth in the Declaration, and to exercise any and all powers, rights and privileges which a corporation organized under the non-profit corporation law of the State of Florida by law may now or hereafter have or exercise. The Association shall operate, maintain and manage the Master Surface Water Management System in a manner consistent with the permit therefor issued by the District and in accordance with applicable District rules. The Association shall levy and collect adequate assessments against Members of the Association for the costs of operation, maintenance and management of the Master Surface Water Management System.

ARTICLE VI

MEMBERSHIP

Each Owner (including Declarant) shall be a Member of the Association. The Association membership of each Owner shall be appurtenant to and inseparable from the Lot giving rise to such membership, and any transfer of title to a Lot shall operate automatically to transfer to the new Owner the membership in the Association appurtenant to that Lot.

ARTICLE VII

VOTING RIGHTS

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

(a) Class "A". Class "A" Members shall be all Owners, with the exception of Declarant for so long as Declarant retains Class "B" voting rights. Each Class "A" Member shall have one (1) vote for each Lot owned by that Member. 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 the owners thereof determine, but in no event shall more than one vote be cast with respect to any Lot.

(b) Class "B". The sole Class "B" Member shall be Declarant. Declarant shall be entitled to three (3) votes for each Lot included in the Property. As such, upon the execution of this Declaration Declarant shall have four hundred seventeen (417) Class "B" votes representing three (3) votes for each of the one hundred thirty-nine (139) Lots in the Property. The Class "B" Member shall be entitled to cast all of its votes in any vote or election held by the Association.

(c) Termination of Class "B" Membership. The number of Class "B" votes shall be reduced by one (1) vote for each Class "A" vote from time to time existing. The Class "B" membership shall terminate and become converted to Class "A" membership upon the earlier of the following:

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

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

(iii) At such earlier time as Declarant, in its discretion, may so elect.

Upon the happening of any one of these events, Declarant shall call a special meeting of the Members to advise the Association membership of the termination of Class "B" membership.

(d) Multiple Owners. Each vote in the Association must be cast as a single vote, and fractional votes shall not be allowed. If joint or multiple Owners are unable to agree among themselves as to how their vote is to be cast, or if more than one (1) vote is cast for any Lot, none of the votes for that Lot shall be counted. If any Owner casts a vote on behalf of a Lot, it shall be conclusively presumed that Owner was acting with the authority and consent of all other Owners of that Lot.

ARTICLE VIII

BOARD OF DIRECTORS

The affairs of the Association shall be managed by a Board of three (3) directors. Each director must be either (1) a Member of the Association, or (2) an officer, director or agent either of Declarant or of a general partner of Declarant. The number of directors may be changed by amendment to the By-Laws of the Association.

The names and addresses of the persons who shall serve as directors of the Association until the first annual meeting of the members are:

<u>Name</u>	<u>Address</u>
Samuel L. Katanich	4005 Maronda Way, Sanford, Florida 32771
Scott C. Howard	4005 Maronda Way Sanford, Florida 32771
Jeffrey J. Logsdon	4005 Maronda Way Sanford, Florida 32771

So long as the Class "B" membership shall exist, the terms of the directors shall be concurrent. At the first Annual Meeting of the Members after termination of the Class "B" membership, the directors shall be classified with respect to the time for which they shall severally hold office by dividing them into three (3) classes, each class consisting of as near one-third of the whole number of directors as practicable, and all directors of the Association shall hold office until their successors are elected and qualified. At that first Annual Meeting of the Members after termination of the Class "B" membership, the directors shall be classified for staggered terms of 1, 2 and 3 years, respectively, and at each successive Annual Meeting the successors to the class of directors whose terms expire that year shall be elected to hold office for the term of three (3) years, so that the term of office of

only one class of directors shall expire in each year. Any vacancy which shall occur in a class of directors prior to the expiration of the term of such class may be filled by the Board of Directors for the remainder of the full term. An increase in the number of directors shall be deemed to create vacancies for the purpose of this paragraph.

The method of nomination and election of the directors shall be stated in the Bylaws of the Association.

ARTICLE IX

OFFICERS

Each officer of the Association must be either (1) a Member of the Association, or (2) an officer, director or agent either of Declarant or of a general partner of Declarant. The names and addresses of those persons who are to act as officers of the Association until the election of their successors are:

<u>NAME</u>	<u>TITLE</u>	<u>ADDRESS</u>
Scott C. Howard	President	4005 Maronda Way Sanford, Florida 32771
Jeffrey J. Logsdon	Vice President	4005 Maronda Way Sanford, Florida 32771
Samuel L. Katanich	Secretary	4005 Maronda Way Sanford, Florida 32771
Samuel L. Katanich	Treasurer	4005 Maronda Way Sanford, Florida 32771

The said officers are to serve until the first election of officers which shall take place at the first meeting of the Board of Directors and annually thereafter following each annual meeting of the Members.

ARTICLE X

DISSOLUTION

Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to such similar purposes. The entity to which the assets of the Association are to be transferred upon dissolution shall be an

entity which complies with Section 40 D-42.027 Florida Administrative Code, and such entity must first be approved by the District for the purpose of assuming the responsibility for the operation maintenance and management of the Master Surface Water Management System for the Property.

ARTICLE XI

DURATION

The Association shall commence to exist upon the filing of these Articles with the Florida Department of State, and the Association shall thereafter exist in perpetuity.

ARTICLE XII

INCORPORATOR

The name and address of the Incorporator is:

NAME

Samuel L. Katanich

ADDRESS

4005 Maronda Way
Sanford, Florida 32771

ARTICLE XIII

AMENDMENTS

Subject to the terms of Article XVI, any amendment to these Articles of Incorporation shall require the assent of two-thirds (2/3) of the votes of the entire membership without regard to class. No amendment shall be made which is inconsistent with the terms of the Declaration.

ARTICLE XIV

BYLAWS

The power to adopt the bylaws of the Association shall be vested in the Board of Directors. The bylaws shall be altered or rescinded only by a majority

of a quorum of Members present, in person or by proxy, at a regular or special meeting of the Members.

ARTICLE XV

DECLARATION

The provisions of these Articles are subject to the provisions of the Declaration, and where any conflict between the provisions hereof and the Declaration exists, the provisions of the Declaration shall govern.

ARTICLE XVI

HUD/FHA/VA APPROVAL

As long as there is a Class "B" membership, if any one or more of the U. S. Department of Housing and Urban Development, Federal Housing Administration or Veterans Administration requires approval or consent by it or them to annexation of Additional Property, any merger or consolidation involving the Association, the placement of any mortgage lien on the Common Property, dedication to the public of any Common Property, dissolution of the association or amendment of these Articles, by any one or more of said agencies as a condition of making, insuring or purchasing loans on Dwellings in the Property, and any such loan has been approved, insured or purchased by the applicable agency at the time of the proposed annexation, merger, consolidation, mortgaging, dedication, dissolution or amendment, then Declarant shall obtain the required consent or approval.

IN WITNESS WHEREOF, for the purpose of forming this corporation not for profit under the laws of the State of Florida, the undersigned Incorporator has executed these Articles of Incorporation as of this 5th day of October, 1999, and the undersigned does hereby accept the duties and responsibilities of Registered Agent for the Association.



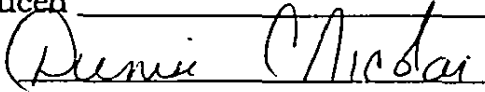
Samuel L. Katanich
Incorporator and Registered Agent



STATE OF FLORIDA)

COUNTY OF Seminole) SS

The foregoing instrument was sworn to and acknowledged before me this 5 day of October, 1999 by Samuel L. Katanich, who is known to me or has produced _____ as identification.



(Notarial Stamp)



Denise C Nicolai
My Commission CC758283
Expires August 28, 2002

Signature of Person Taking
Acknowledgement

Printed Name: Denise C. Nicolai

Title: Notary Public

Commission Expires: Aug. 28, 2002

ORL1 #488544 v1

COPIES

EXHIBIT "C"

BYLAWS

copy

CL 2000025489

OR 1705/161

BYLAWS
OF
QUAIL RIDGE, PHASE 3 HOMEOWNERS ASSOCIATION, INC.

Copy

BYLAWS OF
QUAIL RIDGE, PHASE 3 HOMEOWNERS ASSOCIATION, INC.

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2007

BYLAWS
OF
QUAIL RIDGE, PHASE 3 HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

NAME AND LOCATION

The name of this corporation is Quail Ridge, Phase 3 Homeowners Association, Inc. (the "Association"). The principal office of the Association is 4005 Maronda Way, Sanford, Florida 32771, but meetings of Members and directors may be held at such places within the State of Florida, County of Osceola, as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

When used in these Bylaws, capitalized terms shall have the same meanings as are set forth for same in the Articles of Incorporation of the Association.

ARTICLE III

MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the Association shall be held within one year from the date of incorporation of the Association and each subsequent regular annual meeting of the Members shall be held on the same day of the same month of each year thereafter. 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. Business transacted at the Annual Meeting shall include the election of directors of the Association.

Section 2. Special Meeting. Special meetings of the Members may be called at any time by the president or by the Board of Directors, and shall be called upon written request of Members entitled to vote one-fourth (1/4) of all votes in the Association.

Section 3. Notice of Meeting. 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 15 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 Members entitled to cast, or of proxies entitled to cast, one-tenth (1/10) of the votes shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If such quorum is not 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 is present or 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 title to that Member's Lot.

ARTICLE IV

BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of three (3) directors. The number of directors may be changed by amendment to these Bylaws.

Section 2. Term of Office. So long as the Class "B" membership shall exist, the terms of the directors shall be concurrent. At the first Annual Meeting of the Members after termination of the Class "B" membership, the directors shall be classified with respect to the time for which they shall severally hold office by dividing them into three (3) classes, each class consisting of as near one-third of the whole number of directors as practicable, and all directors of the Association shall hold office until their successors are elected and qualified. At that first Annual Meeting of the Members after termination of the Class "B" membership, the directors shall be classified for staggered terms of 1, 2 and 3 years, respectively, and at each successive Annual Meeting the successors to the class of directors whose terms expire that year shall be elected to hold office for the term of three (3) years, so that the term of office of only one class of directors shall expire in each year. Any vacancy which shall occur in a class of directors prior to the expiration of the term of such class may be filled by the Board of Directors for the remainder of the full term. An increase in the number of directors shall be deemed to create vacancies for the purpose of this section.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the Members 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 V

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among Members or non-members.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the Members may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted and votes must be made in person at a Members' meeting or by ballots the Members personally cast.

ARTICLE VI

MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held at such time and at such place and hour as may be fixed from time to time by a majority of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meeting. Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any two (2) directors, after not less than three (3) days notice to each director (unless waived).

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII

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 Property and facilities, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;

(b) 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, or the Declaration;

(c) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three consecutive regular meetings of the Board of Directors; and

(d) employ a manager, an independent contractor, or such other employees as they 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 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 at least 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, to:

1. fix the amount of the annual assessment against each Lot;

2. send written notice of each assessment to every Owner subject thereto in advance of each annual assessment period; and

3. foreclose the lien against any Lot for which assessments are not paid or to bring an action at law against the Owner personally obligated to pay 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 as against third parties relying thereon;

(e) procure and maintain adequate liability, hazard and other insurance on any Common Property;

(f) cause all officers or employees having fiscal responsibilities to be bonded, if the Board deems appropriate;

(g) cause the Common Property, Areas of Common Responsibility, and the Master Surface Water Management System for the Property, to be maintained.

ARTICLE VIII

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a president and vice president, who shall at all times be members of the Board of Directors, a secretary, and a treasurer, 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 year and until their successors are elected and qualified, unless any such officer shall sooner resign, be removed by the Board of Directors, or otherwise be 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 after 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. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The holding of multiple offices shall be permitted.

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

(a) President. The president shall be the chief executive officer of the Association. The president shall preside at all meetings of the Members and of the Board of Directors. Except where otherwise provided by law or these Bylaws, the president shall have the general powers and duties of supervision and management of the Association, shall see that orders and resolutions of the Board are carried out, shall sign all leases, mortgages, deeds and other written instruments, shall co-sign all promissory notes, and shall perform all such other duties as are incidental to his or her office or as are required by the Board.

(b) Vice President. 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 or the president.

(c) Secretary. The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board 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 and of the Members; keep appropriate current records showing the Members of the Association together with their addresses, and shall perform such other duties as required by the Board.

(d) Treasurer. The treasurer shall 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; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; keep proper books of account; 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 IX

COMMITTEES

The Association shall appoint a Nominating Committee, as provided in these Bylaws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE X

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 and the Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XI

ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual, special and individual assessments which are secured by a lien upon the property against which the assessment is made.

ARTICLE XII

CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: "Quail Ridge, Phase 3 Homeowners Association, Inc., a Florida not for profit corporation", and the year of incorporation in the center of that circle.

ARTICLE XIII

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, without regard to class of membership, present in person or by proxy; provided, however, the United States Department of Housing and Urban Development, Federal Housing Administration, and Veterans Administration shall have the right to veto any amendments to these Bylaws as long as a Class "B" membership exists.

Section 2. In the case of any conflict between the Articles and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

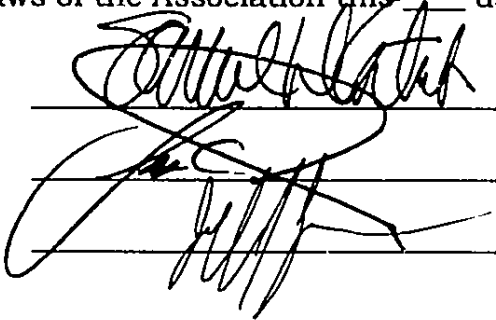
ARTICLE XIV

FISCAL YEAR

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

2013

IN WITNESS WHEREOF, we, being all of the directors of Quail Ridge, Phase 3 Homeowners Association, Inc., have adopted these bylaws as the Bylaws of the Association this ____ day of October, 1999.



Samuel L. Katanich, Director


Scott C. Howard, Director

Jeffrey J. Logsdon, Director

CERTIFICATE

The undersigned, being the duly elected and authorized Secretary of Quail Ridge, Phase 3 Homeowners Association, Inc., hereby certifies that the following form of Seal was duly adopted by the Board of Directors of the Corporation by Consent as of the ____ day of October, 1999.

WITNESS my hand and Seal of the Corporation this ____ day of October, 1999.



Samuel L. Katanich
Secretary

(CORPORATE SEAL)

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