

DECLARATION
OF
PROTECTIVE COVENANTS
FOR
THE RANCHES AT PANTHER RIDGE III

This Declaration is made as of the 31st day of October, 1996, by **RANCH PROPERTY PARTNERS, LTD.**, a Florida limited partnership (the "Declarant").

KNOW ALL MEN BY THESE PRESENTS, that Declarant, the owner of real property in Manatee County, Florida, described on Exhibit A, attached hereto and made a part hereof (the "Property"), declares that the Property, and additions thereto made pursuant to Article 2, is and shall be held, transferred, sold, conveyed, leased, occupied and used subject to the covenants, restrictions, conditions, easements, limitations, terms, obligations, charges and liens hereinafter set forth.

ARTICLE 1
DEFINITIONS

The following words and terms when used in this Declaration shall, unless the context clearly otherwise indicates, have the following meanings:

1.01. "Access Roads" means those Roads, or parts thereof, deemed necessary, in Declarant's discretion, to provide reasonable vehicular access to all Tracts. Those Roads, or portions thereof, lying between Tracts, which Tracts also abut or are connected with an Access Road, need not be designated as an Access Road.

1.02. "Assessment" means a charge levied by the Association in accordance herewith against a Tract and its Owner.

1.03. "Association" means Panther Ridge III Homeowners' Association, Inc., a Florida corporation not-for-profit, its successors and assigns.

1.04. "Board" means the Board of Directors of the Association.

1.05. "Building Review Board" or "BRB" means either the Board or a committee of not less than three (3) Members appointed by the Board, which must approve construction plans and designs pursuant hereto. Declarant shall be the Building Review Board prior to the Turnover Date.

1.06. "Common Expenses" means the actual and estimated cost of the following:

- (a)** Maintenance by the Association of areas within public rights-of-way or drainage easements or ditches adjoining or running through the Subdivision or other easement or areas within the Subdivision as provided in this Declaration or as determined by the Board, including the Roads.
- (b)** Expenses of administration and management of the Association.
- (c)** The cost of any insurance obtained by the Association.
- (d)** Reasonable reserves as determined in accordance herewith.
- (e)** The cost of any other item or items designated herein as a Common Expense or reasonably or necessarily incurred by the Association or in furtherance of the purpose of the Association or a discharge of any obligations expressly or impliedly imposed on the Association by this Declaration, or by law.

1.07. "Declarant" means Ranch Property Partners, Ltd., a Florida limited partnership, or its successors or assigns as such Declarant.

1.08. "Declaration" means this document, together with all amendments and supplements hereto.

1.09. "ERP" means that certain Environmental Resource Permit, as finally issued with respect to the Subdivision by the Southwest Florida Water Management District ("SWFWMD"). A copy of the ERP shall be delivered to the Association by Declarant, and maintained among the records of the Association.

1.10. "ERP Plans" means those certain final maps, plans and drawings submitted to SWFWMD with respect to the issuance of the ERP. A copy of the ERP Plans will be delivered by Declarant to Association and maintained by the Association as a part of its records.

1.11. "Member" means every person or entity qualified for membership in the Association.

1.12. "Owner" means the single or multiple owner of record of the fee simple title to any Tract, excluding those having such interest merely as security for the performance of an obligation, and excluding Declarant prior to the Turnover Date.

1.13. "Public Records" means the Public Records of Manatee County, Florida.

1.14. "Roads" means:

- (a)** those road or street rights-of-way appearing on the Plat of the Subdivision filed in the Public Records and dedicated thereon; and
- (b)** those areas of Tracts adjacent to such dedicated rights-of-way over which an easement is granted to the Association for purposes of a Road under this Declaration; and

- (c) those areas within the Subdivision (i) over which an easement for road purposes is granted to Manatee County, or (ii) that are conveyed or dedicated to Manatee County for road purposes.

1.15. "Subdivision" means the Property as it may be modified pursuant to Article 2.

1.16. "Surface Water Management System" means a perpetual non-exclusive easement hereby created over all parts of the Subdivision forming a part of the surface water management system for the Subdivision, including but not necessarily limited to, the Landscape Easements, the Utility Easements, and any and all mitigation areas as permitted by SWFWMD, including all lakes, retention areas, culverts and related appurtenances, and any other areas, installations and facilities forming a part of such system as reflected by the ERP or the ERP Plans. The easement in and over the Surface Water Management System shall be in favor of Declarant (prior to the Turnover Date), the Association and government agencies having jurisdiction.

1.17. "Tract" means a discrete lot or building parcel that is either (a) reflected on a recorded plat of the Subdivision, or (b) with respect to unplatted areas, created and defined by an initial conveyance from Declarant to an Owner. Where one or more Tracts are reconfigured by Declarant, the term "Tract" means the reconfigured parcel; provided no Owner may subdivide a Tract.

1.18. "Turnover Date" means the earliest of the following dates:

- (a) Thirty (30) days after the date on which the last Tract in the Subdivision has been conveyed to a Regular Member;
- (b) July 31, 2001; or
- (c) The effective date on which Declarant surrenders its right to Declarant Membership in writing.

ARTICLE 2 PROPERTY

2.01. **Property Subject to Declaration.** The Property is subject to this Declaration. Additional land may be subjected to the Declaration (a) by Declarant, without consent of the Association or anyone else prior to the Turnover Date, or (b) by the Owner of such land with the consent of (i) the Declarant prior to the Turnover Date and (ii) the Association thereafter. Association consent shall require approval by the Owners of sixty-seven (67%) percent of all Tracts in the Subdivision.

2.02. **Withdrawal of Property.** Any property submitted to this Declaration may be withdrawn therefrom (a) by the Declarant or, (b) if such property is not owned by the Declarant, by the Owner thereof with the written consent and joinder of (i) the Declarant prior to the Turnover Date, or (ii) the Association thereafter.

ARTICLE 3 MEMBERSHIP IN ASSOCIATION

3.01. **Membership.** Membership is appurtenant to the ownership of a Tract and terminates upon the termination of an Owner's interest in a Tract. Each Owner accepts membership and agrees to be bound by this Declaration, the Articles and By-Laws, copies of which are attached hereto as Exhibits B and C, respectively, and the rules and regulations adopted pursuant thereto. There shall be no other Members except that the Declarant shall be a Member as hereinafter provided.

3.02. Voting Rights. There are two types of membership, Regular Membership and Declarant Membership. Regular Members are all Owners other than the Declarant. Regular Members are entitled to one vote for each Tract in which such Members hold an ownership interest. There is one vote for each Tract. Declarant Members are the Declarant and any successor or assignee of Declarant having an interest in the Subdivision for the purpose of development and sale. The Declarant has three times the total number of votes held by Regular Members, plus one. Declarant Membership shall terminate on the Turnover Date. After the Turnover Date, Declarant Members who then own Tract(s) shall become Regular Members.

3.03. Control of Board. The Declarant shall have the right to designate, appoint and remove all members of the Board prior to the earlier to occur of (a) three (3) months after ninety (90%) percent of the Tracts in the Subdivision have been conveyed to Owners (the "Transition Date"), or (b) the Turnover Date, said date being herein defined as the "Control Date." After the Control Date, the Declarant is entitled to elect at least one member of the Board as long as the Declarant holds for sale in the ordinary course of business at least five (5%) percent of the Tracts in the Subdivision. Directors designated by Declarant need not be Members.

ARTICLE 4 ROADS, EASEMENTS AND MAINTENANCE

4.01. Rights in Roads. There is hereby created and established a perpetual, non-exclusive easement in the Access Roads for the purposes of vehicular and pedestrian access, ingress and egress, equestrian access, if, when and to the extent designated as Equestrian Trails, pursuant to Section 4.03, and for utility and drainage purposes. There is also created and established a perpetual, non-exclusive easement in those Roads other than the Access Roads for the purposes of utilities and drainage, on the same terms and conditions as provided for Drainage and Utility Easements in Section 4.04(a), and for pedestrian and equestrian access if, when and to the extent such Roads are designated as Equestrian Trails pursuant to Section 4.03. Said easement in the Roads are and shall be for the benefit of the Association and the Owners as an appurtenance to their Tracts and be for the use and benefit of such Owners, their tenants and their respective families, guests, invitees, contractors and licensees. Such easements shall be deemed an appurtenance to each Tract upon the conveyance, mortgage, lease or creation, transfer or assignment of any other interest therein. The private easements created hereby are in addition to any public rights in the Roads as a consequence of dedication of the Road.

4.02. Improvement and Maintenance of Roads. The Access Roads shall be paved by the Declarant prior to the Turnover Date, such pavement to be of such width, design and construction as will meet or exceed then applicable standards established by Manatee County for the pavement of rural roads. In some instances, the pavement may meander outside the dedicated right-of-way that appears on the Plat and onto portions of a Road thereof that is a private easement under Section 1.14(b), or an area described in Section 1.14(c), such meandering to be for the purpose of avoiding wetlands, creating aesthetic interest or other purpose as determined by the Declarant. Declarant will request that Manatee County accept the Access Roads for maintenance, and it is anticipated that Manatee County will accept the Access Roads for maintenance. Declarant does not represent or guarantee, however, that the Access Roads will be accepted for maintenance. The Access Roads, or so much thereof as have been improved, shall be maintained by the Association as a Common Expense, to the extent not accepted for maintenance or maintained by Manatee County. To the extent the improved parts of the Access Roads are accepted for maintenance by Manatee County, the Association shall have the authority to supplement such maintenance with the cost thereof being a Common Expense.

4.03. Equestrian Trails. From time to time, the Association may designate and establish areas within the Subdivision (the "Equestrian Trails"), which shall be for the purposes of

equestrian and pedestrian use only, all vehicular use of Equestrian Trails being prohibited, except for emergency and maintenance purposes. Equestrian Trails may be located within portions of public rights of way within the Subdivision, within any part of a Road that is vacated, or within those parts of Tracts designated by the Association with the written consent of the Owner of such Tracts. Equestrian Trails so designated shall be maintained by the Association as a Common Expense.

4.04. Drainage and Utility Easements. There is hereby created and established perpetual, non-exclusive easements over, across, under and through (i) those parts of the Tracts lying adjacent to and within twenty-five (25) feet of the right of way of any street, road or highway appearing on the Plat of the Subdivision as recorded in the Public Records (the "Drainage Easements"), and (ii) those parts of the Tracts lying within twelve and one-half (12½) feet of all Tract boundaries other than those adjacent to a Road (the "Utility Easements").

(a) Both the Drainage Easements and the Utility Easements shall be for the purposes of drainage and utilities, and shall be in favor of the Declarant (prior to the Turnover Date), the Association, governments having jurisdiction, Peace River Electric Cooperative, Inc., GTE Corporation, and other suppliers of utility services, as the context may require. Declarant, prior to the Turnover Date, and the Association thereafter, may grant or assign additional non-exclusive easements to governments having jurisdiction and suppliers of utility services for the purpose of confirming rights with respect to the installation, maintenance, repair and replacement of drainage and utility services and facilities within such easements, such grants or consent to be without necessity of approval by the Owners. For the purposes hereof, utilities shall mean potable water supply, sanitary sewer service, irrigation water supply, electric power, gas, telephone, cable TV and other telecommunication services, and other services commonly recognized as utility services or determined by the Board to be a utility service. The purpose of such easements shall include the right to install, maintain, repair, replace and operate such drainage and utility installations and facilities, together with the reasonable right of access associated with carrying out such other purposes.

(b) The Drainage Easements shall also be for the purpose of landscaping, whether such landscaping be furnished and installed by the Declarant, prior to the Turnover Date, or thereafter by the Association with approval by the Owners of sixty-seven (67%) percent of all Tracts in the Subdivision. The Association shall maintain, repair and replace all landscaping so installed as a Common Expense. The Declarant, prior to the Turnover Date, and the Association through the Board thereafter, may from time to time enter into agreements with Owners of Tracts, under the terms of which portions of such landscaping located within in the Drainage Easements or any portion of a Road may be irrigated by use of a well and pump located on a Tract and maintained by the Owner of such Tract. So long as such agreement or agreements are in effect, the Association shall, as a Common Expense, maintain, repair and replace all irrigation facilities and lines extending to the pump located on such Tract, and shall reimburse the Owner of such Tract(s) such reasonable amounts to defray costs of electricity and maintenance of such pump and well as may be provided in such separate agreements. Nothing contained herein shall obligate the Association to provide such irrigation in the absence of such agreements with the Owners of adjacent Tracts, or after such agreements may have expired or been terminated in accordance with their terms.

4.05. SR70 Entry. Declarant anticipates the development of an attractive entrance to the Subdivision from State Road 70 (the "SR70 Entry").

(a) The SR70 Entry may consist of parts of a Road providing access to State Road 70, easements over portions of those Tracts that are adjacent to the intersection of State Road 70 and such Road, or both. Such easements shall be established by separate instrument and granted or assigned to the Association. Declarant shall determine, in its sole discretion, the design, extent and content of the SR70 Entry. Without limiting the generality of Declarant's discretion, the SR70 Entry may include decorative and/or functional entry walls, fences, posts or other entry improvements, signage, landscaping, irrigation installations, attendant lighting and related facilities, or any combination thereof. The SR70 Entry shall be maintained by the Association as a Common Expense.

(b) It is anticipated that lands in the vicinity of the Subdivision (the "Neighboring Lands") may be established as another section of The Ranches at Panther Ridge by subjecting the Neighboring Lands to a declaration of covenants (the "Neighboring Declaration"). If that occurs and if the declarant under the Neighboring Declaration deems the Neighboring Lands are benefitted by the existence and maintenance of the SR70 Entry, then the Neighboring Declaration may provide that the association responsible for the administration under the Neighboring Declaration shall contribute to the Association a prorata share of the costs incurred by the Association in maintaining the SR70 Entry. If the Neighboring Declaration so provides, then the Association shall cooperate with the association operating the Neighboring Lands and furnish it such information as may be required so as to enable the Association to obtain such contribution, and the Board shall take such contribution into consideration in establishing the Budget.

4.06. Non-Ingress/Egress Easement. There is hereby created, established and reserved a perpetual, non-exclusive easement (the "Non-Ingress/Egress Easement") over, across and through all parts of the Subdivision lying within five (5) feet of the right of way line of State Road 70. The Non-Ingress/Egress Easement is for the purpose of prohibiting vehicular access, ingress to affected Tracts from State Road 70, and egress from such affected Tracts to State Road 70. It is the intent hereof that those Tracts abutting State Road 70 shall have vehicular access only from abutting Roads within the Subdivision and that they shall not have a drive or other vehicular point of access onto and off of State Road 70. Provided, however, that the Declarant, prior to the Turnover Date, and the Board thereafter, may grant temporary exceptions to the prohibition of the Non-Ingress/Egress Easement for good cause, and may grant a permanent exception for a single access point of a width not greater than twenty (20) feet upon a finding by the Declarant or Board, as appropriate, that such exception is necessary in order to afford reasonable, practical and usable vehicular access to and from such Tract. Provided further, that anything contained herein to the contrary notwithstanding, the Non-Ingress/Egress Easement shall not be deemed to prohibit access from State Road 70 onto any such Tract by emergency vehicles.

4.07. Transfer of Maintenance to Governmental Authority. The Board may transfer the maintenance responsibility for the Access Roads, or for any other item or items for which the Association has maintenance responsibility, to any special tax district, taxing unit, other public agency, authority or entity organized or having jurisdiction of such matters without the necessity of Member approval, provided that such governmental authority or entity accepts such maintenance responsibility.

ARTICLE 5 ASSESSMENTS

5.01. Personal Obligation and Lien for Assessments. Each Owner covenants and agrees to pay to the Association all Assessments levied with respect to each Tract in which such Owner has an ownership interest. Each Assessment, together with Delinquency Charges (hereinafter defined), is the personal obligation of the Owner of a Tract at the time when the Assessment is due and shall

remain the personal obligation of such Owner notwithstanding that such Owner may no longer own the Tract. The personal obligation shall not pass to the successors in title of an Owner unless expressly assumed by such successors. All Assessments, together with Delinquency Charges, shall also be a charge on the land and a continuing lien upon the Tract with respect to which such Assessment is levied. The Association may record in the Public Records a "Notice of Lien" setting forth amounts claimed due the Association as to any one or more Tracts. The execution and recording of such notice is not required in order for the continuing lien for Assessments to be valid.

5.02. Purposes of Assessments. Assessments levied by the Association shall be used only for the purposes set forth in this Declaration, the Articles and By-Laws.

5.03. Annual Assessments. The amount and time of payment of Assessments shall be determined each year by the Board after giving due consideration to the current maintenance, operational and other costs and the future needs of the Association; provided, however, no annual Assessment may exceed 110% of the prior year's budgeted annual Assessment unless approved by a majority vote of the Owners. Assessments may include amounts established for reserves. Not later than thirty (30) days prior to the beginning of each fiscal year, the Board shall estimate the total Common Expenses to be incurred for such fiscal year and the amount of the annual Assessment to be paid by each Owner to defray such costs. Written notice of the annual Assessment shall be sent to every Owner. Each Owner shall thereafter pay the Assessment to the Association at such times and in such installments as may be established by the Board.

5.04. Special Assessments. In addition to the recurring annual Assessment, the Association may levy such other Assessments (the "Special Assessments") as are determined to be necessary or desirable in carrying out its responsibilities and duties under this Declaration. The amount and purpose of all Special Assessments shall be established by the Board, unless otherwise provided. All Special Assessments shall be due and payable at such times and in such installments as may be determined by the Board. No Special Assessment for Common Expenses may exceed fifteen (15%) of the annual budgeted Common Expense unless approved by a majority of the Owners. No Special Assessment for improvements to, rather than maintenance of, the Roads or any easement maintained by the Association may be levied unless approved by two-thirds vote of the Owners. In addition to Special Assessments for Common Expenses, a Special Assessment shall be levied by the Board against a Tract and its Owner to reimburse the Association for costs incurred in bringing the Owner of such Tract into compliance with this Declaration, and, if the Association provides materials or services that benefit individual Tracts, but which can be accepted or not by the Owner, then the amount paid or incurred by the Association on behalf of an Owner accepting or subscribing to such material or service shall be a Special Assessment against such Owner and his Tract. In addition, any fine approved and assessed pursuant to the Bylaws shall be a Special Assessment with respect to the Owner against whom such fine is levied. The Declarant shall not be liable for any Special Assessment prior to the Turnover Date, unless the Declarant consents thereto in writing.

5.05. Sharing of Common Expense. Tracts shall each bear an equal share of the Common Expense. All Assessments for Common Expenses shall be levied in the proportion by which the Tracts share the Common Expense, each Tract bearing an equal share. Special Assessments for Common Expenses shall likewise be levied in such proportion. Special Assessments for other than Common Expenses authorized hereby may not be uniform in amount or levied in the same proportions as Assessments for Common Expenses because of their nature.

5.06. Commencement of Regular Assessments. Regular Assessments shall commence as to each Tract effective as of the month during which such Tract is conveyed by Declarant to an Owner.

5.07. Certificate of Payment. The Association shall, upon request, furnish to any Owner a certificate in writing signed by an officer or authorized agent setting forth whether the Assessments on a specified Tract have been paid, and the date and amount, if known, of the next Assessments or installments coming due, together with the amount of any delinquency. Such certificate shall be conclusive evidence of payment of any Assessment therein stated to have been paid as to third parties without notice of facts to the contrary.

5.08. Reserves. The Board may establish reserve accounts funded from Regular Assessments in reasonable amounts for such purposes and in such categories as are determined by the Board.

5.09. No Offsets. All Assessments shall be payable in the amount specified and no offsets shall be permitted for any reason, including without limitation, a claim that the Association is not properly exercising its authorities and carrying out its responsibilities as provided in this Declaration.

5.10. Rights of Mortgagees. Assessments against a Tract accruing prior to the recordation of a mortgage or after the acquisition of title as a result of foreclosure or conveyance in lieu of foreclosure shall be a lien against such Tract in the manner generally provided for herein. The lien of all Assessments provided for herein which accrue and become due and payable with respect to any Tract after a mortgage is recorded with respect thereto, but prior to the transfer or conveyance of title as a result of a foreclosure or a conveyance in lieu of such foreclosure, shall be subordinate to the lien of such mortgage.

5.11. Budget. The Board shall prepare an annual budget reflecting the estimated revenues and expenses for the budget year and the estimated surplus or deficit as of the end of the year immediately preceding the budget year. The budget shall set out separately all fees or charges for recreational amenities, if any, whether owned by the Association, Declarant or others. Each Member shall be provided either with a copy of the annual budget or a written notice that a copy of the budget is available upon request at no charge to the Member. Such copy must be provided within 10 business days after receipt of a written request by the Association. Failure of the Board to prepare, submit or adopt a budget in a timely manner or as otherwise provided herein shall not affect the validity of the budget once adopted, nor any Assessment adopted by the Board.

5.12. Delinquency Charges. All Assessments and other amounts due the Association pursuant to this Declaration shall bear interest at the highest rate permitted by law then in effect, or such lower rate as the Board may from time to time determine. If any such Assessment is not paid when due, then a late charge shall be levied. The initial late charge shall be \$10.00. The Board may from time to time increase the amount of the late charge authorized hereby, taking into consideration the declining purchasing power of the United States dollar, the costs reasonably expected to be incurred by the Association as a result of following up such delinquency, and the effectiveness of such late charge in assuring prompt and timely payment of Assessments. The liens in favor of the Association shall secure the amount of the Assessment, all interest accruing thereon, late charges and all costs incident to the collection thereof including a reasonable attorney's fee, whether enforced by suit or otherwise and, if by suit, whether at trial or any appellate level, and including fees for paralegals. The Association shall be entitled to recover such interest, late charges, costs and fees from any Owner personally liable for the Assessment as to which they apply. Such late charges, interest, costs and fees shall be collectively referred to as "Delinquency Charges."

5.13. Remedies of Association Upon Non-Payment. If any Assessment or installment thereof is not paid by the due date specified by the Board, then such Assessment (including the full amount of any such Assessment accelerated by the Board in accordance with the By-Laws) shall be delinquent and shall, together with Delinquency Charges with respect thereto, be a continuing lien on the

Tract against which such Assessment was levied, binding the Owner thereof, his heirs, personal representatives, tenants, successors and assigns. Prior to bringing an action for foreclosure of a lien, the Association shall record a Notice of Lien among the Public Records unless in the opinion of the Board recording such notice is contrary to or prohibited by any then existing court order, statute or rule. A copy of such notice, whether recorded or not, shall be sent to the then Owner by United States mail, either certified or registered, return receipt requested at the Owner's address on the Association's records. Failure of the Association to obtain a receipt shall not prevent enforcement of a lien. If such Assessments, together with Delinquency Charges with respect thereto, are not paid in full within thirty (30) days after the date such notice is deposited in the United States mails, then thereafter the Association may institute suit to foreclose its lien. The recorded Notice shall secure not only the Assessments and Delinquency Charges reflected therein, but all unpaid Assessments and Delinquency Charges with respect to all such amounts which may accrue subsequent to the recordation of such Notice and prior to the entry of a final judgment of foreclosure. The Association may at any time bring an action at law with respect to any Assessments and Delinquency Charges then due and payable but which have not been paid. Upon the timely payment or other satisfaction of all amounts specified in a Notice of Lien and all other Assessments and amounts which have become due and payable with respect to such Tract as to which such notice was recorded, together with Delinquency Charges as may be applicable, the Association shall furnish a release of such notice in recordable form, but shall not be responsible for the cost of recording.

5.14. Declarant Assessment. Declarant is obligated to pay any operating expenses incurred by the Association which exceed (a) the Assessments receivable from Members other than Declarant plus (b) other income of the Association (the "Deficiency"). Notwithstanding any provision of this Declaration, the Articles or By-Laws to the contrary, Declarant shall not be obligated for, nor subject to, any Assessment for any Tract that it may own, for the period of time beginning on the date of recording of the Declaration and ending when the Declarant's obligation to fund the Deficiency is withdrawn or deemed withdrawn hereunder. Declarant's obligation to pay the Deficiency may be withdrawn by Declarant at any time, and if not sooner withdrawn, shall be deemed withdrawn on the Transition Date.

5.15. Capital Contribution. At the time legal title to a Tract is conveyed by Declarant to an Owner, there shall be a one time contribution in the amount of \$100.00 (the "Capital Contribution") payable to the Association by such Owner. Capital Contributions may be added to reserves, expended for regular Common Expenses or set aside for improvements, as may be determined by the Board.

ARTICLE 6 DUTIES AND POWERS OF ASSOCIATION

6.01. General Duties and Powers. In addition to the duties and powers enumerated herein and under the Articles and By-Laws, and without limiting the generality thereof, the Association shall:

- (a) enforce this Declaration, the Articles, By-Laws and rules and regulations adopted pursuant thereto by appropriate means and carry out the duties and authority of the Association hereunder;
- (b) contract for and maintain such policy or policies of insurance as may be required hereunder or as the Board deems necessary or desirable;
- (c) have the power of entry upon any Tract as reasonably necessary in connection with the carrying out of Association responsibilities hereunder;
- (d) have the power to negotiate and contract for such materials and services for the

benefit of Owners who subscribe to or elect to accept such materials or services, with payment for same to be (i) separately billed to the Owners or (ii) advanced by the Association with the cost thereof assessed against the Owner(s) who subscribe to or accept such materials or services as a Special Assessment;

- (e) have the power and authority to dedicate to the public, with or without acceptance for maintenance by governmental authority, all or any part of any easements forming a part of a Road under Section 1.14(b), such dedication to be without necessity of consent or joinder by the owner of the fee simple interest in the Tract or Tracts underlying any such easement, such right of dedication being limited, however, to the easement interest of the Association therein.
- (f) have the authority to maintain or supplement the maintenance of any landscaping within or adjacent to any Road, or the improvements to such Road, to the extent that same is not maintained by public authorities at an acceptable level, as determined by the Board.
- (g) have the authority and duty to maintain the Surface Water Management System as required by the ERP, but only to the extent Manatee County has not accepted responsibility for such maintenance.
- (h) have the authority to accept conveyances of land and other interests in land, including but not limited to vacated Roads, and to maintain any such property as required by this Declaration or as determined by the Board.

6.02. Implied Powers of the Association. The Association shall have all the power and authority reasonably necessary for it to carry out its duties and rights set forth in this Declaration, the Articles or By-Laws, including any right or power reasonably to be inferred from the existence of any other right, power, duty or obligation given to it or reasonably necessary to effectuate its duties hereunder.

6.03. Indemnification by Association. The Association shall indemnify and hold harmless each Owner with respect to all claims, demands, damages and causes of action against such Owner, but only with respect to the following circumstances:

- (a) Any claim of personal injury or property damage arising out of the carrying out by the Association of its right or duty to maintain, repair or replace any improvements, installations or facilities within any easement in favor of the Association located upon such Tract.
- (b) Any lien or claim for payment for services, materials or both with respect to the carrying out of such right or duty of maintenance, repair or replacement by the Association with respect to any such easement in favor of the Association located within such Tract.
- (c) Any other claims for personal injury or property damage arising out the Association carrying out any right or duty pursuant to the Declaration upon or within the Tract of such Owner.

The indemnification provided for herein shall not extend to nor include claims against an Owner based up on the negligence or willful conduct of such Owner or those for whom he is responsible hereunder. Such indemnification shall, however, include the reasonable costs incurred by such

Owner in defending any claim to which indemnification is applicable pursuant hereto.

ARTICLE 7 INSURANCE AND RECONSTRUCTION

7.01. Insurance by Association. The Association shall obtain and continue in effect such insurance in such amounts and coverages as the Board shall from time to time determine to be appropriate, necessary or desirable. All costs associated with such insurance shall be a Common Expense.

7.02. Owner's Insurance. Each Owner shall be responsible for obtaining and maintaining in effect all such casualty, liability and other insurance with respect to such Owner and such Owner's Tract as the Owner may from time to time determine. The Association shall not obtain any such insurance on behalf of an Owner, nor shall the Association insure the Tracts or improvements thereto in any manner.

7.03. Destruction of Improvements. If any structure upon a Tract is substantially damaged or destroyed, the Owner thereof shall, within a reasonable time after such casualty, remove all debris and portions of the improvements that cannot be preserved for incorporation into the replacement structure. Dangerous conditions shall be addressed and neutralized immediately. The Owner shall either repair, rebuild or reconstruct the improvements as soon after such casualty as may be practical, or raze and remove such damaged structure.

ARTICLE 8 USE AND BUILDING RESTRICTIONS

The following restrictions, conditions and agreements are hereby imposed upon the Subdivision and shall apply to all Owners and their tenants and their respective guests, families, invitees, agents, employees, contractors, licensees and all other persons occupying such Tracts or in actual or constructive possession or control thereof.

8.01. Residential Use. Each Tract shall be used for single family residential purposes in accordance applicable zoning and governmental land use regulations and this Declaration. No dwelling structure shall be occupied by more than one family, its domestic employees, and guests.

8.02. Vehicles. The following provisions shall govern the parking of vehicles within the Subdivision.

(a) Passenger vehicles, including cars, station wagons, passenger vans, passenger minivans, sport utility vehicles and pickup trucks providing primary transportation for one or more residents of a Tract, and other vehicles primarily intended and used to provide transportation for passengers, may be parked and kept within any Tract in numbers not deemed unreasonable with the Board.

(b) Tractor trailers, oversized trucks and other commercial vehicles shall not be kept or parked within the Subdivision, except for temporary loading and unloading.

Recognizing that classification and use of vehicles evolves over time, and that on occasion it may be difficult to determine if a specific vehicle or vehicle type is permitted, restricted or prohibited by this Section, it is the intent of this Section that standard size vehicles, the purpose and use of which is

predominantly for personal transportation, are permitted under Subsection (a), notwithstanding that such vehicle may have lettering or a sign attached to or painted on the side of such vehicle announcing a commercial enterprise or that the vehicle may also be used for transportation of passengers carrying out commercial enterprises. Vehicles prohibited under Subsection (b) are those which by design, nature, use or appearance are clearly commercial vehicles of significant size, the parking of which within the Subdivision would tend to degrade the appearance and values of the Subdivision. The Board shall have the authority from time to time to adopt and amend standards of interpretation of this Section, providing in more detail for the delineation of different vehicles and different vehicle types, and the Board may further determine which category is applicable to a specific vehicle. In making such decisions, the Board may take into consideration the general condition and appearance of the vehicle in question. All such determinations and standards adopted by the Board shall be conclusive for all purposes hereunder.

8.03. Recreational Vehicles. No trailer, camper, motor home, boat, boat trailer, canoe, motorcycle or other recreational vehicle shall be permitted to remain upon a Tract other than for temporary parking, unless parked or stored to the rear of a structure on the Tract. All mechanized recreational vehicles shall be in good operating and working condition, unless kept within an enclosed garage. All boats must be stored on trailers.

8.04. Inoperative Vehicles. No inoperative car, truck, van, trailer, recreational or other vehicle may be kept on any Tract for more than seven (7) days unless kept within an enclosed garage.

8.05. Animals. No animals shall be kept within the Subdivision for any commercial purpose, or in such a manner as to cause noxious odors to escape to nearby Tracts. The keeping of hogs, poultry, fowl, or grazing animals other than horses and cattle is prohibited throughout the Subdivision.

8.06. Trash. Weeds, trash, rubbish, garbage, debris and other unsightly material shall not be allowed to accumulate on any Tract and shall prompt and regularly be removed therefrom. All garbage, trash, refuse and rubbish shall be deposited and kept in enclosed containers appropriate to their contents. Such containers shall be maintained in a clean and sanitary condition,

8.07. Nuisances. No noxious or offensive activity shall be carried out on any Tract, nor shall anything be done or placed thereon that is or may become a nuisance, or cause unreasonable disturbance or annoyance to any occupant of the Subdivision, or cause unreasonable interference with the peaceful enjoyment of any Tract.

8.08. Temporary Structures and Mobile Homes. No structure of a temporary nature and no mobile home may be kept within the Subdivision.

8.09. Signs. No sign shall be permitted upon any Tract within the Subdivision, other than the following:

- (a) One sign of a reasonable size, as approved by the Building Review Board, containing the names of the residents, street address or both.
- (b) One sign announcing that the Tract is "For Sale," "Model Home," or "For Rent," including usual or customary information provided in such signs, provided that such sign (including all component parts thereof other than supports) shall not exceed 16 square feet in area.
- (c) During the period of construction activity only, one sign announcing the name of

the contractor, subcontractors, suppliers or any combination thereof, not to exceed a total area (exclusive of supports) of sixteen (16) square feet. Such sign shall be removed promptly upon completion of construction activity, and in all events, within ten (10) days thereof.

- (d) Political signs of reasonable size and numbers, espousing candidates or issues on local ballots during the period of campaigning, all such signs to be removed within seven (7) days of the final election with respect to such candidate or issue.
- (e) Temporary signs announcing or providing information with respect to events occurring on a Tract, such as, but not limited to, signs announcing an open house, auction, estate or similar sale, or social event.

The Building Review Board may, in its discretion, grant approval for additional temporary signs and displays not contemplated hereby, including signs for model homes. In calculating sign area, only one side of the sign shall be considered.

8.10. Commercial Activities Prohibited. The Subdivision is a residential community, and no commercial structures or activities are permitted within the Subdivision.

8.11. Miscellaneous Visual Restrictions. No clothes lines or clothes poles shall be erected, and no outside clothes drying is permitted, unless located to the rear of the principal dwelling structure. The personal property of residents shall be kept inside the dwelling or other structure, or within a fenced or walled-in yard, except for patio furniture and accessories, and other personal property commonly kept outside, which must be kept in a neat and good condition.

8.12. Improvement Standards. Each Tract shall be subject to the following mandatory standards, requirements, prohibitions and criteria for the design, construction and alteration of improvements to such Tract.

- (a) No structure shall be located within one hundred (100) feet of a boundary line of a Tract, except that the Building Review Board may grant variances to such set backs if the Building Review Board determines such variance is reasonably necessary in order to preserve a significant tree or other natural attribute of such Tract, or if the BRB determines that the topography of such Tract is such as to make compliance with such setback unreasonable. The BRB may require submission of such plans and supporting materials as it may deem necessary or useful in deciding whether or not to grant a variance. Any variance granted shall be in writing and in recordable form, and shall be recorded in the Public Records of Manatee County, Florida.
- (b) Any dwelling or other structure shall have finished exterior walls of brick, stone, painted stucco, logs, painted or stained wood, or prefinished vinyl or aluminum siding, and a finished roof of fiberglass shingles, concrete, cedar shakes, tile or metal. Notwithstanding the foregoing, the BRB may approve alternate materials for barns, garages and other outbuildings if the BRB determines such materials will present a consistent or complementary appearance to the primary dwelling or other structures located on a Tract. The BRB may condition such approval upon use of specific colors, restricted locations of such structure, and required landscaping or other screening, as the BRB may deem appropriate.

- (c) No single family residential structure shall be constructed within the Subdivision having fewer than eighteen hundred (1,800) square feet of enclosed, air conditioned living area, exclusive of garages, open or screened porches, patios, balconies and terraces. Any such residential structure containing more than one story shall have no fewer than twelve hundred (1,200) square feet of such enclosed, air conditioned living area on the first floor.
- (d) Natural drainage within the Subdivision shall be maintained and no Owner shall interfere with such drainage contours and patterns. All grading and development of a Tract shall be carried out in such a manner as not to interfere with natural drainage, and no Owner shall cause or permit any filling or grading of his Tract which would adversely affect and interfere with the natural drainage within the Subdivision. If any improvements or changes to a Tract results in a substantial increase in surface water run-off, such increase shall be retained and detained within that Tract in accordance with sound engineering principles and applicable governmental standards. Likewise, it is intended hereby that no Tract may be so improved or changed as to substantially interfere with natural drainage from other Tracts that flows onto or through such Tract.
- (e) All garbage, trash and refuse containers, air conditioning units, oil or fuel tanks, bottled gas tanks, and permanently affixed swimming pool equipment and housing shall be underground or placed in areas attached or adjacent to structures, which areas are substantially enclosed or sheltered by solid or decorative walls (such as shadow block), decorative fences or landscaping, or a combination thereof, so that they shall be substantially concealed or hidden from eye-level view from any Road or adjacent property.
- (f) All antennae, masts, satellite dishes, disks or other telecommunication sending or receiving devices shall be located to the rear of a principal dwelling on a Tract.
- (g) At the time of the construction of a residential dwelling on each Tract, the area lying within fifty (50) feet of the principal dwelling structure shall be seeded or sodded with grass as a lawn, with reasonable landscaping. The remaining portions of the Tract need not be developed or maintained as a lawn or other landscaped area, but such area shall be maintained in a reasonable manner, as provided herein.
- (h) Each single family residential dwelling structure shall be designed, constructed and maintained with an enclosed garage as a part thereof, for a minimum of two cars.
- (i) At the time of initial construction of the driveway providing access to each Tract, such driveway shall be paved for a distance of at least 50 feet from the edge of the pavement of the abutting Access Road, such pavement to be of concrete, asphalt, or other materials approved by the BRB.
- (j) Fences that border a paved Road must be of a design, materials and location approved by the Building Review Board. The BRB may specify one or more standard designs, materials and locations so that fences bordering paved Roads shall be of a consistent or complementary appearance. For purposes hereof, a fence will be deemed to border a Road if it is parallel to the Road or substantially

parallel, and is the fence on such Tract closest to the Road.

- (k) Any crawl space between the finished grade of the Tract surrounding a structure and the first floor of the structure that is in excess of 32 inches shall be enclosed.
- (l) No Improvements or other construction upon, alterations to or use of, a Tract shall intrude upon or otherwise impact any wetland, or interfere with or disturb any required drainage boundaries, facilities or contours, or any buffer reflected on the ERP Plans, or be otherwise in violation of the ERP. Each Owner (and the Association with respect to areas within the Subdivision for which it is responsible for maintenance hereunder) shall comply with any seeding and grassing requirements reflected on the ERP Plans or required by the ERP. The Association and each Owner shall otherwise observe and comply with the terms of the ERP and respect the requirements reflected on the ERP Plans.
- (m) In connection with the construction of any driveway onto a Tract, whether pursuant to Section 8.12(i) or otherwise, there shall be a culvert installed in the swale adjacent to or within the Road abutting such Tract, the size of which culvert shall be in accordance with a Table of Internal Culvert Sizes, prepared by Zoller, Najjar and Shroyer, Inc., and approved by SWFWMD, as submitted as part of the application for the ERP. A copy of such table shall be delivered to and held by the Association as part of its records.
- (n) During the period of construction of improvements to a Tract, all construction debris shall be placed in a dumpster or other appropriate container maintained on the Tract, and the contents of such container shall be periodically removed therefrom and hauled to an appropriate destination. Such container and debris removal shall be maintained and carried out in compliance with any applicable governmental laws, rules, regulations or franchise agreements. The container or containers shall be of such size and number, and the debris hauled at such intervals, so as to provide adequate interim storage for all construction debris generated from the Tract.
- (o) All utilities installed within a Tract by or on behalf of an Owner shall be underground, except as may be otherwise approved by the BRB, which shall only approve exceptions in circumstances in which strict enforcement of the underground requirement would prevent practical access to utilities, or result in a violation of other provisions of this Declaration.

8.13. Construction Review. No buildings, barns, garages, outbuildings, sheds or other structures, fences, walls, tennis courts, screen enclosures, pools, patios, solar energy device, decorative structure or other installation, device, equipment or improvement on a Tract that will alter the appearance of the Tract or existing improvements thereto when viewed from adjacent Tracts or an adjacent Road (collectively, the "Improvements") shall be constructed, reconstructed, altered, or installed until the design, materials and location thereof has first been approved in writing by the Building Review Board.

- (a) Requests for BRB approval of proposed Improvements shall be in writing, and accompanied by such plans, specifications, drawing, samples and other materials as may be reasonably required by the BRB in order to evaluate the proposal. The BRB may waive formalities in the approval process. The BRB shall review and evaluate all applications within thirty (30) days after receipt of all such materials

required, and either approve, disapprove or approve in part and disapprove in part.

- (b) The BRB may issue a conditional approval of proposed Improvements, specifying that the proposed Improvements will be approved, provided the Owner agrees to specified conditions. Such conditions may include, but shall not be limited to, locating the proposed Improvements at a different location within the Tract, altering colors, materials or other features of the proposed Improvement, shielding or screening proposed Improvements with landscaping, fences, walls or other materials, or such other conditions as will, in the judgement of the BRB, make the proposed Improvements consistent with this Declaration, or that will minimize or eliminate any undesirable feature of the proposed Improvement.
- (c) Failure of the BRB to approve or disapprove within thirty (30) days after receipt of all materials shall be deemed approval. If Improvements are made without BRB approval, and the BRB does not issue written disapproval thereof for a period of ninety (90) days after completion of such Improvements, then such Improvements shall be deemed approved.
- (d) All Improvements shall comply with the mandatory provisions of Section 8.12 of this Declaration. In addition, the BRB may adopt and modify design, material and locational criteria and standards for proposed Improvements (the "Standards"). The Standards shall be deemed to include any mandatory provisions of this Declaration, including Section 8.12 hereof. Proposed Improvements which are in full compliance with the Standards may be constructed or installed without necessity of formal BRB review and approval.
- (e) The Building Review Board shall have a reasonable discretion to approve or disapprove proposed Improvements, including the discretion to approve or disapprove on the basis of esthetics. The Building Review Board shall not unreasonably withhold its approval so long as the design and plans comply with this Declaration and any applicable Standards and the proposed design is not inconsistent with the then existing development of the Subdivision. In consideration of the size of the Tracts, spacing of homes and the general character of the Subdivision, the Building Review Board shall not disapprove a proposed Improvement that complies with this Declaration and applicable Standards unless (i) such design is a clear departure from, and inconsistent with, the then existing Improvements, (ii) such departure or inconsistency is significant, and (iii) such departure or inconsistency will, in the reasoned judgment of the Building Review Board, have an adverse impact on the attractiveness or value of nearby Tracts, or the Subdivision in general.
- (f) Unless the Board is acting as the Building Review Board, any Owner aggrieved by decision of the Building Review Board may appeal same to the Board, which shall hold a hearing within thirty (30) days, and either approve, disapprove or modify the decision of the Building Review Board.
- (g) The BRB may adopt reasonable rules and regulations for the conduct of its authority, and the Board may establish reasonable fees for review by the BRB. The Association shall maintain records of all BRB proceedings, and shall furnish a certificate in recordable form upon the request of any Owner verifying the

compliance or noncompliance of such Owner and his Tract with the construction review provisions of this Declaration.

8.14. Maintenance of Tracts. Each Owner shall maintain his Tract and the Improvements located thereon in a good condition and state of repair. Once a Tract is cleared, the lawns and landscaped areas thereof shall be maintained in good condition.

8.15. Right of Association to Maintain. If an Owner fails to maintain any fence on his Tract bordering a Road in a good condition, or fails to maintain his Tract as required hereby, then after notice as herein provided, the Association may perform such maintenance. All costs of such maintenance shall be assessed to the particular Owner and his Tract as a Special Assessment. Until so collected, such costs shall be treated as a Common Expense. In proceeding under this Section, the Association shall employ the procedures hereinafter set forth:

- (a) Upon finding by the Board of a deficiency in maintenance, the Board shall provide notice thereof in writing to the responsible Owner, briefly describing the deficiency and setting forth the action needed to correct the deficiency.
- (b) If the Owner does not correct such deficiency within the earlier of twenty-five (25) days after mailing such notice, or twenty (20) days after receipt of such notice, then thereafter the Board may give notice to the Owner of the Board's intention that the Association shall perform such maintenance.
- (c) Thereafter, the Association may effect such maintenance.
- (d) All such maintenance by the Association shall take place only during daylight hours on weekdays, excluding holidays.

ARTICLE 9 GENERAL PROVISIONS

9.01. Enforcement. The Association or any Owner shall have the right to enforce by proceedings at law or in equity all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration, including the right to prevent the violation of any such provisions and the right to recover damages for such violations; provided, however, that with respect to Assessments and Assessment liens the Association, on determination of the Board, shall have the exclusive right to the enforcement thereof. Provided further, no enforcement proceedings may be maintained by the Owners of fewer than two (2) Tracts. Failure of the Association or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

9.02. Severability. Invalidation of any part of this Declaration by a court of competent jurisdiction shall not affect any other provisions, which shall remain in full force and effect.

9.03. Covenants. The covenants, conditions, restrictions, easements and terms of this Declaration shall run with the land, bind all the property subject hereto and inure to the benefit of and be enforceable as provided above, for a term of 50 years from the date this Declaration is recorded, after which time this Declaration shall be automatically extended for successive periods of ten (10) years each, unless an instrument of termination has been signed by (a) the Owners of at least two-thirds of the Tracts and (b) mortgagees holding first mortgages encumbering fifty (50%) percent of all those Tracts encumbered by first mortgages has been recorded at least one (1) year prior to end of any such period.

In such event, this Declaration shall be terminated upon the expiration of the fifty (50) year term or applicable ten (10) year extension during which such instrument was recorded.

9.04. Construction. This Declaration shall be liberally construed to give effect to its purpose of creating a plan for a quality single family residential community and for the maintenance of the Roads. Article and section headings have been inserted for convenience only and shall not be considered in interpretation or construction of the document. This Declaration shall be construed under the laws of Florida, and shall not be construed more strongly against any party regardless of the extent to which any party may have participated in the drafting of the Declaration or any amendment thereto. Whenever the context of this Declaration, the Articles or By-Laws require, the singular shall include the plural and the plural the singular, and any one gender may refer to any other gender.

9.05. Amendment. This Declaration may be amended only in accordance with this Section.

- (a) Prior to the Turnover Date, Declarant reserves the right to amend this Declaration, the Articles and Bylaws in any manner whatsoever, without the requirement of Association consent or the consent of any Owner or the mortgagee of any Tract.
- (b) This Declaration may be amended at any time by the affirmative vote of Members owning two-thirds (2/3) of all Tracts in the Subdivision together with the approval or ratification of a majority of the entire Board. Provided, however, that at any time by a majority vote of the Members of the Association this Declaration may be amended where necessary to comply with regulations of the Veterans' Administration, the Federal Housing Administration, the Office of Interstate Land Sales Registration, the Federal National Mortgage Association, the Federal Home Loan Corporation, the Federal Home Loan Bank Board or other similar governmental agency. Anything contained in this Subsection to the contrary notwithstanding, no amendment adopted by the Members pursuant hereto shall be effective prior to the Turnover Date, except with the written consent of the Declarant.
- (c) Anything contained herein to the contrary notwithstanding, no amendment which abridges, impairs, prejudices, amends, alters or otherwise affects the rights, privileges, exemptions or priorities of the Declarant shall be effective until five (5) years after the Turnover Date, unless the Declarant consents thereto in writing.
- (d) Anything contained in this Section to the contrary notwithstanding, no amendment of this Declaration, the Articles or Bylaws, which would affect the Surface Water Management System shall be effective without the prior approval of SWFWMD.

9.06. Attorney's Fees. If any action is instituted to enforce or construe the provisions of this Declaration, the party prevailing in such action shall be entitled to recover from the other party thereto as part of the judgment a reasonable attorney's fee and the costs of such suit. If the Association is a prevailing party in such action, the amount of such attorney's fees and costs shall be a Special Assessment with respect to any Tract and its Owner if such Owner was the non-prevailing party in such litigation.

9.07. Declarant Provisions. Declarant, for itself, and its designees, further reserves the right to erect temporary structures for use in its development business and otherwise to establish and use any part of the property covered hereby for the development, construction, marketing, promotion and

sale of Tracts and improvements thereto. So long as Declarant owns any Tract of record, it may establish licenses, reservations, easements and rights-of-way in favor of itself, the Association, suppliers of utility and similar services and public authorities as may from time to time be reasonably necessary to the proper development and disposition of the Subdivision. In any instance where a structure has been erected upon a Tract, or the construction thereof is substantially advanced in a manner that violates the restrictions of this Declaration or in such a manner that same encroaches on any Tract line, easement area or setback, Declarant reserves the right to release the Tract from the restriction and to grant an exception to permit the encroachment by the structure so long as Declarant, in the exercise of its sole discretion, determines that the release, waiver or exception will not materially and adversely affect the health, safety and welfare of present and future Owners, the value of adjacent Tracts and the appearance of the Subdivision.

9.08. Assignment by Declarant. Declarant's rights hereunder may be assigned to any successor to all or any part of Declarant's interest in the Subdivision by express assignment incorporated in a deed or by separate instrument, and such developer rights shall inure to any mortgagee of Declarant who acquires title to undeveloped portions of the Subdivision by foreclosure or deed in lieu of foreclosure or to a successor developer acquiring title through foreclosure or from a mortgagee or other person acquiring title through such foreclosure or deed in lieu thereof. Declarant may designate in writing one or more successor developers as to portions of the Subdivision, which instrument shall detail the extent and nature of the rights of Declarant assigned thereby. After any such assignment is recorded among the Public Records, the assignee shall stand in the place of Declarant as fully as if it had originally been the Declarant hereunder to the extent of the assignment described therein. Any mortgage of all or substantially all of the undeveloped portions of the Subdivision executed by Declarant or any successor to Declarant shall be deemed to carry with it a conditional assignment of such Declarant rights unless otherwise specified therein.

9.09. Rights of Mortgagees. The Association shall make available for inspection upon request, during normal business hours and under reasonable circumstances, this Declaration, the Article, Bylaws and the books, records and financial statements of the Association to Owners and the holders, insurers or guarantors of any first mortgages encumbering any portion of the Subdivision. Upon written request to the Association by such holder, insurer or guarantor (the "Listed Mortgagee") of a first mortgage encumbering a Tract, the Association shall provide such Listed Mortgagee with timely written notice of the following:

- (a) Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association;
- (b) Any proposed action which would require the consent of mortgagees holding a first mortgage encumbering a Tract; and
- (c) Any failure by an Owner owning a Tract encumbered by a mortgage held, insured or guaranteed by such Listed Mortgagee to perform his obligations under this Declaration, including but not limited to, any delinquency in the payments of Assessments, or any other charge owed to the Association by said Owner where such failure or delinquency has continued for a period of sixty (60) days.

Any Listed Mortgagee shall, upon written request made to the Association, be entitled to financial statements for the Association for the prior fiscal year free of charge and the same shall be furnished within a reasonable time following such request.

IN WITNESS WHEREOF, Declarant has caused these presents to be executed in its name

by its partners thereunto duly authorized as of the day and year first above written.

Signed, sealed and delivered
the presence of:

Cherie Ralston

Witness

Cherie Ralston

Print Name of Witness

Marilyn E. Romick

Witness

MARILYN E. ROMICK

Print Name of Witness

**RANCH PROPERTY PARTNERS, LTD., a Florida
limited partnership**

By: **RANCH PROPERTY, INC.,**
a Florida corporation, its
general partner

By: Frank A. Buskirk

Frank A. Buskirk,
President
3651 Cortez Road West,
Suite 300
Bradenton, FL 34210

**STATE OF FLORIDA
COUNTY OF MANATEE**

The foregoing instrument was acknowledged before me this 31st day of October, 1996, by Frank A. Buskirk, as President of Ranch Property Partners, Ltd., a Florida limited partnership, on behalf of the partnership, as general partner of Ranch Property, Inc., a Florida general partnership on behalf of the partnership, () who is personally known to me or () who has produced _____ as identification.



MARIANNE DOVENERO
Notary Public, State of Florida
My Comm. Expires Aug. 22, 1998
No. CC 402285
Bonded Thru Official Notary Service

Marianne Dovenero
Notary Public
My Commission Expires: 8/22/98

This instrument prepared by:
David K. Deitrich, Esq.
Deitrich & St. Paul, P.A.
1111 Third Avenue West, Suite 350
Bradenton, FL 34205
(941) 747-4020

AFFIDAVIT

Ranch Property Partners, Ltd.

**STATE OF FLORIDA
COUNTY OF MANATEE**

Before me, the undersigned authority, personally appeared Frank A. Buskirk, who being by me first duly sworn, deposes and says:

1. The Affiant is president of Ranch Property, Inc., a Florida corporation (the "Corporation"), and is authorized to execute this Affidavit on behalf of the Corporation.

2. That the Corporation is a general partner of Ranch Property Partners, Ltd., a Florida limited partnership (the "Partnership"), and this Affidavit is made and executed on behalf of the Partnership.


3. The name of the sole general partner of the Partnership is Ranch Property, Inc., a Florida corporation.

4. The general partner is authorized to execute a conveyance, encumbrance or other instrument affecting the Partnership's real property, such execution to be without necessity of joinder by any other general partner.

5. The Partnership is in existence as of the date hereof, the Corporation is not a debtor in a bankruptcy proceeding, and the Corporation is organized under the Laws of Florida, in good standing with the Department of State, and has not been dissolved.

6. This Affidavit is made pursuant to Section 689.045(3), Florida Statutes.

FURTHER AFFIANT SAYETH NOT.




Frank A. Buskirk

Sworn to and subscribed before me this 31st day of October, 1996, by Frank A. Buskirk, () who is personally known to me or () who has produced _____ as identification.



MARIANNE DOVENERO
Notary Public, State of Florida
My Comm. Expires Aug. 22, 1998
No. CC 402285
Bonded Thru Official Notary Service



Notary Public
My Commission Expires: 8/22/98

MORTGAGEE JOINDER AND CONSENT

KNOW ALL MEN BY THESE PRESENTS, that **RUTH MOTT FOUNDATION**, a Michigan non-profit corporation, the owner and holder of that certain Purchase Money Mortgage and Security Agreement, recorded in Official Records Book 1473, Page 5992, of the Public Records of Manatee County, Florida, hereby joins in and consents to the foregoing Declaration of Protective Covenants for The Ranches at Panther Ridge III.

IN WITNESS WHEREOF, the Ruth Mott Foundation, a Michigan non-profit corporation has caused this instrument to be executed in its name, by an officer thereto duly authorized, this 12 day of November, 1996.

Signed, seal and delivered
in the presence of:

RUTH MOTT FOUNDATION, a Michigan non-profit corporation

Frederick S. Kirkpatrick
Witness

By: Maryanne Mott

FREDERICK S. KIRKPATRICK
Print Name of Witness

MARYANNE MOTT
Print Name

Kimberly L. Coles
Witness

PRESIDENT
Print Title RUTH MOTT FOUNDATION
MFO Management
120 East First Street
Suite 1820
Flint, Michigan 48502

Kimberly L. Coles
Print Name of Witness

STATE OF Michigan
COUNTY OF Genesee

The foregoing instrument was acknowledge before me this 12 day of November, 1996, by Maryanne Mott, as X President of the Ruth Mott Foundation, a Michigan non-profit corporation, on behalf of the corporation, and who (X) is personally known to me or () who has produced _____ as identification.

Annetta R. Tobias
Notary Public

Annetta R. Tobias
Print Name of Notary

My commission expires: 10/12/98

EXHIBIT A

The Ranches at Panther Ridge III

Tracts 4 through 13, inclusive, Section 20, Township 35 South, Range 20 East, POMELLO PARK, as per plat thereof recorded in Plat Book 6, Page 61, Public Records of Manatee County, Florida.

AND

Tracts 25 through 29, inclusive, Tracts 36 through 45, inclusive, and Tracts 52 through 61, inclusive Section 19, Township 35 South, Range 20 East, POMELLO PARK, as per plat thereof recorded in Plat Book 6, Page 61, Public Records of Manatee County, Florida.

AND

Tracts 31 through 35, inclusive, Tracts 46 through 51, inclusive, and Tracts 61 through 64, inclusive, Section 30, Township 35 South, Range 20 East, POMELLO PARK, as per plat thereof recorded in Plat Book 6, Page 61, Public Records of Manatee County, Florida.

AND

The Northwest 1/4 of the Northwest 1/4 of Section 29, Township 35 South, Range 20 East.

State of Florida



Department of State

I certify the attached is a true and correct copy of the Articles of Incorporation of PANTHER RIDGE III HOMEOWNERS' ASSOCIATION, INC., a Florida corporation, filed on November 13, 1996, as shown by the records of this office.

The document number of this corporation is N96000005802.

BK 1503 PG 4208 24 of 39

Given under my hand and the
Great Seal of the State of Florida,
at Tallahassee, the Capitol, this the
Thirteenth day of November, 1996



CR2EO22 (2-95)

Sandra B. Northam

Sandra B. Northam
Secretary of State

ARTICLES OF INCORPORATION
OF
PANTHER RIDGE III HOMEOWNERS' ASSOCIATION, INC.
A Florida Corporation Not-For-Profit

FILED
95 NOV 12 10 3: 16
TAMPA, FLORIDA

The undersigned incorporator, for the purpose of forming a corporation under the Florida Not-for-Profit Corporation Act, hereby adopts the following Articles of Incorporation:

ARTICLE I.
NAME.

The name of the corporation is PANTHER RIDGE III HOMEOWNERS' ASSOCIATION, INC. (the "Association").

ARTICLE II.
PRINCIPAL OFFICE AND MAILING ADDRESS.

The address of the principal office and the mailing address of the corporation is 3651 Cortez Road West, Suite 300, Bradenton, FL 34210.

ARTICLE III.
DURATION.

Corporate existence will commence as soon as these Articles are filed with the office of the Secretary of State of Florida. The term of existence of the Association is perpetual.

ARTICLE IV.
PURPOSES.

The purpose for which the Association is organized is to provide an entity for the maintenance, preservation, management and control of certain property located in Manatee County, Florida, which property is subject to the Declaration of Protective Covenants for The Ranches at Panther Ridge III, which is to be recorded in the Public Records of Manatee County, Florida, as same shall from time to time be amended (the "Declaration"). The Association shall have the further purpose of promoting the health, safety and welfare of the Owners and residents of the property subject to the Declaration in accordance therewith. For the purposes of these Articles and any By-Laws adopted pursuant hereto, capitalized terms shall have the meanings set forth in the Declaration.

ARTICLE V.
POWERS.

The Association shall have all of the common law and statutory powers of a corporation not-for-profit except as expressly limited or prohibited by these Articles or the Declaration. Powers of the

Association shall be subject to and be exercised in accordance with the provisions of the laws of Florida, the Declaration, these Articles and the By-Laws.

**ARTICLE VI.
MEMBERS.**

The Members of the Association are the Declarant, prior to the Turnover Date, and those persons owning Tracts within the Subdivision. The Declaration and the By-Laws of the Association contain provisions relating to the qualifications for membership, classification of membership, if any, termination of membership, voting and other rights of Members and all other matters pertaining to the Members.

**ARTICLE VII.
DIRECTORS.**

The affairs of the Association shall be managed by a Board of Directors consisting of an odd number of members determined from time to time in accordance with the By-Laws. In no event shall the Board of Directors consist of fewer than three (3) members. The method of election of the Directors of the Association is set forth in the By-Laws.

**ARTICLE VIII.
INDEMNIFICATION.**

Every Director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including legal fees, reasonably incurred by, or imposed upon him, in connection with any proceeding or the settlement of any proceeding to which he may be a party or in which he may become involved by reason of his being or having been a Director or officer of the Association, whether or not he is a Director or officer at the time such expenses are incurred, except when the Director or officer is adjudged guilty of willful and wanton misfeasance or malfeasance in the performance of his duties; provided that in the event of a settlement, the indemnification shall apply only when the Board of Directors approves such settlement and reimbursement as being in the best interests of the Association. The foregoing right of indemnification shall be in addition to, and not exclusive of, all other rights to which such Director or officer may be entitled.

**ARTICLE IX.
INITIAL REGISTERED AGENT AND OFFICE.**

The initial registered office of the Association shall be located at 3651 Cortez Road West,

Suite 300, Bradenton, FL 34210. The initial Registered Agent of the Association at that address shall be Jeffrey D. Gravely.

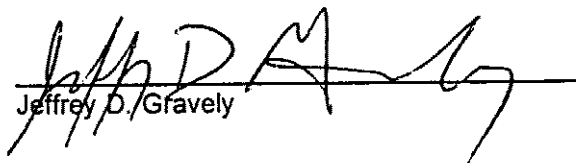
**ARTICLE X.
INCORPORATOR.**

The name and address of the incorporator is Jeffrey D. Gravely, 3651 Cortez Road West, Suite 300, Bradenton, FL 34210.

**ARTICLE XI.
AMENDMENTS.**

These Articles may be amended prior to the Turnover Date either by the Declarant or by the affirmative vote of the Owners of a majority of the Tracts with the consent of the Declarant. After the Turnover Date, these Articles may be amended by affirmative vote of the Owners of a majority of all of the Tracts at a meeting for which notice of the change to be made is given. The Board of Directors may adopt a resolution setting forth a proposed amendment and directing that it be submitted to a vote at a meeting of the Members entitled to vote on the proposed amendment, which may be either an annual or special meeting. Written notice setting forth the proposed amendment or a summary of the changes to be effected by the amendment must be given to each Member entitled to vote at such meeting.

IN WITNESS WHEREOF, the undersigned incorporator has executed these Articles of Incorporation this 31st day of October, 1996.


Jeffrey D. Gravely

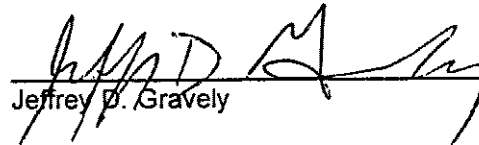
CERTIFICATE OF REGISTERED AGENT/REGISTERED OFFICE

Pursuant to the provisions of Section 617.0501, Florida Statutes, the undersigned Corporation, organized under the laws of the State of Florida, submits the following statement in designating its registered office and registered agent in the State of Florida.

1. The name of the Corporation is Panther Ridge III Homeowners' Association, Inc.
2. The name and address of the Registered Agent and office of the Corporation is:

Jeffrey D. Gravely, 3651 Cortez Road West, Suite 300, Bradenton, FL 34210.

HAVING BEEN NAMED AS REGISTERED AGENT AND TO ACCEPT SERVICE OF PROCESS FOR THE ABOVE STATED CORPORATION AT THE PLACE DESIGNATED IN THIS CERTIFICATE, I HEREBY ACCEPT THE APPOINTMENT AS REGISTERED AGENT AND AGREE TO ACT IN THIS CAPACITY. I FURTHER AGREE TO COMPLY WITH THE PROVISIONS OF ALL STATUTES RELATING TO THE PROPER AND COMPLETE PERFORMANCE OF MY DUTIES, AND I AM FAMILIAR WITH AND ACCEPT THE OBLIGATIONS OF MY POSITION AS REGISTERED AGENT.


 Jeffrey D. Gravely

Dated: October 31, 1996.

FILED
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 SECRETARY OF STATE
 TALLAHASSEE, FLORIDA

BY-LAWS
OF
PANTHER RIDGE III HOMEOWNERS' ASSOCIATION, INC.,
A Florida Corporation Not-For-Profit

These are the By-Laws of **Panther Ridge III Homeowners' Association, Inc.**, which is referred to as the "Association." Capitalized terms used herein shall have the meanings given them in the Declaration unless otherwise expressly provided herein.

ARTICLE 1.
PURPOSE

1.01. Purpose. The Association has been organized for the purpose of administering, maintaining, preserving, providing building review over, and managing property in accordance with the Declaration of Protective Covenants for The Ranches at Panther Ridge III (the "Declaration") and to promote the health, safety and welfare of the Owners and residents of such property.

1.02. Office. The office of the Association shall be at 3651 Cortez Road West, Suite 300, Bradenton, Florida 34210, until otherwise changed by the Board.

1.03. Fiscal Year. The Fiscal Year of the Association shall be the calendar year.

1.04. Seal. The Seal of the Association shall bear the name of the Association, the word "Florida," the words "Corporation Not for Profit" and the year of incorporation.

ARTICLE 2.
MEMBERS

2.01. Qualification. Membership shall be determined in accordance with the Declaration.

2.02. Change of Membership. Change of membership in the Association shall be established by the transfer of an ownership interest in a Tract in the Subdivision, whether by execution and delivery of a deed or other instrument or the occurrence or non-occurrence of an event that gives rise to such change in ownership. Upon the happening of such event, the Owner established by such circumstance shall thereupon become a Member of the Association and the membership of the prior Owner whose qualifying interest in such Tract has ended shall terminate. The Board may establish reasonable rules and regulations for the provision to it of appropriate notice and evidence of such change of ownership, including but not necessarily limited to, delivery to the Association of a copy of instruments evidencing such change. Until appropriate evidence of a change of ownership as may be reasonably required by the Association is furnished to it, the Association may rely upon its record of Members.

2.03. Evidence of Membership. There shall be no stock or membership certificates in the Association. Membership shall be determined by ownership of Tracts.

ARTICLE 3.
VOTING

3.01. Voting Rights. The Regular Members who are the record Owner of each Tract shall be collectively entitled to one (1) vote for each Tract. If Regular Members own more than one Tract, they shall be entitled to one vote for each Tract so owned. A vote attributable to a Tract may not be divided. The Declarant Members shall be entitled to the number of votes provided for in the Declaration.

3.02. Voting Procedure. All determinations of requisite majorities and quorums shall be made by reference to the total number of votes of Regular Members entitled to vote plus that number of votes, if any, to which the Declarant Members are entitled. Decisions of the Association shall be made by a simple majority of votes entitled to be cast by all Members represented at a meeting at which a quorum is present, unless a greater percentage is required by the Declaration, the Articles, these By-Laws or by law.

3.03. Quorum. A quorum shall exist when Declarant Members and Regular Members entitled to cast not fewer than thirty (30%) percent of all votes are present, either in person or by proxy.

3.04. Designation of Voting Representative. The right to cast the vote attributable to each Tract shall be determined, established and limited pursuant to the provisions of this section.

3.04.01. Single Owner. If a Tract is owned by one natural person, that person is entitled to cast the vote attributable to such Tract.

3.04.02. Multiple Owners. If a Tract is owned by more than one person, the person entitled to cast the vote attributable to such Tract shall be designated by a certificate signed by all of the Owners and filed with the Association. If no certificate designating a voting Member is on file with the Association, and only one of the Owners is present at a meeting, he or she may cast the vote for such Tract without concurrence of the other Owners. If two or more of the Owners are present, they may jointly cast the vote attributable to such Tract if they are able to agree on the manner of casting such vote, but if they are unable so to agree, their vote shall not be counted on any such matter, although the Tract may still be counted for purposes of a quorum.

3.04.03. Life Estate. If a Tract is owned as a life estate, the life tenant shall be entitled to cast the vote attributable to the Tract.

3.04.04. Corporations, Partnerships and Limited Liability Companies. If a Tract is owned by a corporation, partnership or limited liability company, the officer, partner, manager, member, employee or agent thereof entitled to cast the vote attributable to such Tract shall be designated by a certificate executed by an executive officer, all general partners, manager or managing member, as applicable, and filed with the Association.

3.04.05. Trustees. If a Tract is owned by trustees, the trustees shall be entitled to cast the vote. Multiple trustees shall be subject to the same provisions as multiple Owners. Trustees may by certificate executed by all trustees and filed with the Association designate a beneficiary as the person entitled to cast the vote.

3.04.06. Estates and Guardianships. If a Tract is subject to administration by a duly authorized and acting personal representative or guardian of the property, then such fiduciary shall be entitled to cast the vote attributable to such Tract upon filing with the Association a current certified copy of his letters of administration or guardianship.

3.04.07. Leases. If a Tract is leased, the Owner/Lessor shall be entitled to cast the vote attributable to the Tract, except that the Owner may designate a lessee as the person entitled to cast the vote attributable to the Tract by a certificate executed by all Owners and filed with the Association.

3.04.08. Certificates. Whenever a certificate designating a voting representative

is permitted or required, such certificate shall, once filed, be valid until the earlier of any date specified therein or the revocation of such certificate in writing delivered to the Association.

3.05. Approval or Disapproval of Matters. Whenever the decision of an Owner is required upon any matter, such decision shall be expressed by the person who would cast the vote of such Owner at an Association meeting unless the joinder of record Owners is specifically required by the Declaration or these By-Laws.

3.06. Proxies. Votes may be cast in person or by proxy. A proxy shall be in writing, be dated, state the date, time and place of the meeting for which it is given, and be signed by the designated voting representative, or the Owner if no voting representative has been designated. A proxy shall be valid only for the particular meeting designated in the proxy, as the meeting may lawfully be adjourned and reconvened from time to time, and must be filed with the secretary of the Association before the appointed time of the meeting or any adjournments thereof. A properly executed and delivered proxy may be revoked by a writing delivered to the secretary prior to the appointed time of the meeting or any adjournments thereof, or by the attendance in person by the persons executing said proxy at any meeting or adjournment thereof. No one person may be designated to hold more than five proxies. In no event shall a proxy be valid for a period longer than 90 days after the date of the first meeting for which it was given.

3.07. Method of Voting. Subject to the provisions of the Declaration, voting may be by roll call, voice vote or by written ballot; provided, however, that whenever written approval is required by the Declaration, whenever an amendment to the Declaration is proposed or when any borrowing of funds is proposed, the voting shall be by written ballot. Routine matters, such as approval of minutes, adjournment, acceptance of reports, parliamentary questions and social business, may be determined by "yea" and "nays;" provided, that any five voting Members or the chairman may require a roll call vote or vote by written ballot.

ARTICLE 4. MEETINGS OF MEMBERS

4.01. Annual Meeting. The annual meeting of the Members shall be held during the month of March of each year on a day and at a time determined by the Board; provided that notice pursuant to Section 4.03 is given at least 30 days prior to the date set for the annual meeting. The annual meeting shall be for the purpose of electing directors and transacting any other business authorized to be transacted by the Members.

4.02. Special Meeting. Special meetings may be called by the Board, the President, any vice president or Members entitled to cast not fewer than 15 percent of the total number of votes.

4.03. Notice of Meetings. Notice of a meeting shall be mailed to each Member entitled to vote at such meeting at least 10 days and no more than 30 days prior to the meeting date. The notice shall specify the date, time and location of the meeting. The notice of all special meetings shall describe the purpose of the meeting, and business conducted at a special meeting is limited to the purposes described in the notice. Notice of the annual meeting need not include a description of the purposes unless required by the Declaration, these By-Laws or by law. Any listing of the purposes of a meeting will not limit the matters upon which the Members may act unless such notice is expressly required by the Declaration, these By-Laws or by law. Notices shall be in writing and shall be mailed or delivered to each Member at such Member's address as it appears on the records of the Association or as the Member may have otherwise directed in writing. A duplicate notice shall be furnished to the designated voting

representative if such voting representative is not also an Owner. A single notice may be sent to multiple Owners listed on the records of the Association as having the same address. The notice for any meeting at which Assessments are to be considered and acted upon shall contain a statement of the nature of such Assessments and that such Assessments will be considered. Proof of such mailing or delivery of notice shall be given by affidavit or certificate of the person giving the notice. Notice of meetings may be waived in writing before, during or after meetings.

4.04. Place. Meetings of the Association shall be held at such place in Manatee County, Florida, as may be designated in the notice of meeting.

4.05. Adjournments. If any meeting cannot be organized because a quorum has not attended, the Members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present; provided, however, the new date, time or place of the adjourned meeting must be announced at the meeting before the adjournment, failing which new notice must be given.

ARTICLE 5. DIRECTORS

5.01. Number. The affairs of the Association shall be managed by a Board of not less than three (3) nor more than five (5) directors, the exact number to be determined by the Members from time to time prior to the annual election of directors. The Board shall at all times be comprised of an odd number of members. Until otherwise determined by the Members, there shall be three (3) directors.

5.02. Election of Directors. Directors shall be elected in the following manner:

5.02.01. Election of directors shall occur at the annual meeting. A nominating committee of not less than three Members may be appointed by the Board not less than 30 days prior to the annual meeting. The nominating committee, if appointed, shall nominate at least one person for each directorship. Other nominations may be made from the floor, a Member may self-nominate, and nominations for additional directorships, if any, created at the meeting shall be made from the floor.

5.02.02. Election shall be by ballot, unless dispensed with by a two-thirds vote. Election shall be by a plurality of the votes cast, each person voting being entitled to cast his votes for each of as many of the nominees as there are vacancies to be filled. There shall be no cumulative voting.

5.02.03. Prior to the Control Date, the election of directors shall be subject to the rights of the Declarant Members under Section 3.03 of the Declaration. As of the Control Date, at either an annual meeting or a special meeting called for such purpose, all Regular Members shall be entitled to elect at least a majority of the directors to replace those directors elected or designated by the Declarant, such directors to serve until the next annual meeting date. The Declarant shall be entitled to appoint or elect at least one member of the Board so long as the Declarant holds for sale in the ordinary course of business at least five (5%) percent of the Tracts in the Subdivision.

5.02.04. Declarant Members may waive their right to elect or designate any one or more directors, which waiver shall, however, apply only to the specific election at which such waiver is made. If the Declarant does waive such right, the Regular Members shall elect the member or members of the Board who would otherwise have been elected or designated by the Declarant. Such persons shall be subject to removal by the

Declarant prior to the Control Date.

5.03. Term. The term of each director's service shall extend to the next annual meeting of the Members at which such director term expires, and thereafter until a successor is duly elected and qualified, or until he is removed in the manner elsewhere provided. The Declarant initially, and thereafter the Board, may establish director terms of more than one year so that the terms of the several directors shall be staggered to assure continuity. In no event shall a term of a director exceed three years, except for directors elected or designated by Declarant. If staggered terms are implemented, all directors shall be elected to serve the same length of time, except that in the first election at which staggered terms are implemented, designated directorships may be established for shorter terms on a one time basis to establish the pattern of staggering.

5.04. Removal. Any director may be recalled and removed from office, with or without cause, by the vote of a majority of all Members or by the Declarant prior to the Turnover Date. A special meeting to recall a member of the Board shall be called upon a petition filed with the Board on behalf of Members entitled to cast twenty (20%) percent of the votes of all Members. The notice shall state the purpose thereof.

5.05. Qualifications. All directors shall be Members of the Association, except that directors elected or designated by the Declarant need not be Members. Officers, partners, members, managers, agents and employees of business entities that are Owners, or that serve as fiduciaries of Owners, shall be deemed Members for the purposes of qualifying for election to the Board.

5.06. Vacancies. Except as otherwise expressly provided herein, if the office of any director becomes vacant, whether by reason of death, resignation, removal, disqualification, incapacity, or otherwise, a majority of the remaining directors shall select a successor, who shall hold office until the next annual meeting. Provided, however, that prior to the Turnover Date any vacancies shall be filled by the Declarant.

5.07. Disqualification and Resignation. Any director may resign at any time by sending written notice to the secretary of the Association. Such resignation shall take effect upon receipt by the secretary, unless otherwise specified in the resignation. Any director who must be a Member shall be deemed to have resigned if he no longer has a requisite ownership interest in a Tract and ceases to be a Member. After the Turnover Date, more than three (3) consecutive unexcused absences from regular Board meetings shall be deemed an offer of resignation, which shall be effective only upon acceptance by the Board.

5.08. Organizational Meeting. The organizational meeting of a newly elected Board shall be held within 10 days of its election, at such place and time as shall be fixed by the chairman of the meeting at which they were elected.

5.09. Regular Meetings. The Board may, from time to time, establish a schedule of regular meetings to be held at such time and place as the Board may designate. Any regular scheduled meeting may be dispensed with upon written concurrence of not less than two-thirds of the members of the Board.

5.10. Special Meetings. Special meetings of the directors of the Board may be called by the President and must be called by the Secretary or an assistant secretary at the written request of any two directors.

5.11. Notice. Notice of each regular or special meeting shall be given to each director

personally or by mail, telephone, telegraph, or courier service, at least two (2) days prior to the meeting date. All notices shall state the time and place of the meeting and, if a special meeting, the purposes thereof. Any director may waive notice of a meeting before, during or after the meeting, and all such waivers shall be deemed equivalent to the giving of notice. Attendance by a director at a meeting shall be deemed a waiver of notice by such director. In addition, notice of all Board meetings must be posted in a conspicuous place in the Subdivision, or as an alternative to such posting, notice must be mailed or delivered to each Member at least seven (7) days before the meeting. Such posting or alternate provision of notice shall not be necessary in an emergency. No Assessment may be levied at any Board meeting unless the notice thereof includes a statement that Assessments will be considered and the nature of the Assessments.

5.12. Quorum. A quorum at any meeting of the Board shall consist of a majority of the entire Board. Actions approved by a majority of those present at a meeting at which a quorum is present shall constitute the action of the Board except where approval of a greater number is required by the Declaration or these By-Laws.

5.13. Adjourned Meeting. If at any meeting of the Board there shall be less than a quorum present at any time, or if a majority of those present determine an adjournment is appropriate for any other reason, then the majority of those present may adjourn the meeting. At any adjourned meeting any business which might have been transacted at the meeting as originally called may be transacted without further notice, provided the new date, time, or place of the adjourned meeting is announced before the meeting is adjourned..

5.14. Joinder and Meeting by Approval of Minutes. The joinder of a director in the action of a meeting by signing and concurring in the minutes thereof shall constitute the concurrence of such director for the purpose of determining requisite majorities on any action taken and reflected in such minutes, or to create a quorum. Directors may join in minutes under this section only after an open meeting.

5.15. Meetings Open. Meetings of the Board shall be open to all Members. Any Owner may tape record or videotape meetings of the Board or the Members, subject to reasonable rules adopted by the Board governing the taping of such meetings.

5.16. Presiding Officer. The presiding officer at Board meetings shall be the President. In the absence of the President, the Vice President shall preside. In the absence of both, the directors present shall designate one of their members to preside.

5.17. Director's Fees. Directors shall serve without compensation but may be reimbursed for reasonable out-of-pocket expenses according to policies adopted from time to time by the Board. This provision may be amended only by a vote of 75 percent of all Members and, prior to the Turnover Date, the written consent of the Declarant.

5.18. Application to Committees. The quorum, notice and other procedural requirements of Sections 5.11 through 5.15, inclusive, shall be applicable to all committees of the Association.

ARTICLE 6. POWERS AND DUTIES OF THE BOARD

The Board shall have all powers, authority, discretion and duties necessary or appropriate for the administration of the Association and operation of the Subdivision, except as may be reserved or

granted to the Owners, Declarant or a specific committee or committees by the Declaration, Articles or these By-Laws. The powers of the Board shall include, but shall not necessarily be limited to, the following:

6.01. General Powers. All powers specifically set forth in the Declaration, Articles and these By-Laws, all powers incident thereto or reasonably to be inferred therefrom, and all powers and authority of a Board of Directors set forth in the Florida Not-For-Profit Corporation Act, except as limited by the Declaration, Articles or these By-Laws.

6.02. Enforcement and Fines. The Board shall enforce by legal means provisions of the Declaration, the Articles, these By-Laws and rules and regulations promulgated pursuant thereto. If the Board determines that any Member, or the tenant, guest or invitee of a Member, is in violation of any of the provisions thereof, the Board, or an agent designated for that purpose, shall notify the Member of the nature of the violation. If said violation is not corrected within the time specified therein, which time shall be not less than five (5) days, the Association may thereafter levy a fine for each offense against the Member in accordance with this section.

6.02.01. The amount of such fine shall be in such reasonable amount as may be established from time to time by the Board as an amount deemed adequate to encourage observance of applicable provisions of the Declaration, Articles, By-Laws and rules and regulations, but in no event to exceed any then applicable maximum amount per violation established by applicable Florida Statute (The maximum fine per violation as of the date of adoption of these By-Laws is \$50, as prescribed by Section 617.305(2), Florida Statutes 1995). Each day during which the violation continues shall be deemed a separate offense.

6.02.02. No fine shall be imposed upon a Member without first giving such Member at least fourteen (14) days notice and an opportunity for a hearing before a committee (the "Compliance Committee") consisting of at least three (3) Members appointed by the Board. Members of the Compliance Committee may not be officers, directors or employees of the Association, nor the spouse, parent, child, brother or sister of an officer, director, or employee of the Association.

6.02.03. The notice required by Section 6.02.02 may be combined with the notice given by or under the authority of the Board to notify the Member of the nature of the violation. The notice required by Section 6.02.02 shall set out the right of the Member to a hearing before the Compliance Committee, the procedure and time limit for the Member to request a hearing, and either the date, time and place of such hearing or that if the Member requests a hearing, the Member shall be given further notice of the date, time, and place of the hearing. If the Member does not request a hearing within the fourteen (14) days following notice, then the Compliance Committee may meet at any time thereafter without further notice to the Member, but shall comply with the notice provisions of Section 5.18 of these By-Laws.

6.02.04. The Compliance Committee shall meet and hold a hearing if one has been timely requested by the Member. At the conclusion of the hearing, if one has been requested, or during the meeting if no hearing is held, the Compliance Committee shall either approve or disapprove of the proposed fine. No fine may be imposed unless the Compliance Committee has approved of it.

6.02.05. Any fine approved by the Compliance Committee shall be assessed by the Board

as a Special Assessment against the Member and shall constitute a lien upon the Tract of such Member and may be foreclosed by the Association in the same manner as any other lien. Provided, however, that no fine may be levied in any event against the Declarant.

6.03. Budgets and Assessments. The Board shall levy Assessments and adopt budgets, and use and expend Assessments and other receipts of the Association to carry out the powers and duties of the Association pursuant to the Declaration and these By-Laws.

6.04. Employment. The Board may employ, dismiss, control and contract for personnel and contractors for the administration of the Association and the carrying out of the Association's responsibilities, including but not limited to managers, maintenance personnel, attorneys, accountants and other professionals, by employment or contract, as the Board may determine.

6.05. Rules and Regulations. To adopt, amend and rescind reasonable rules and regulations relating to the administration of the Association and the use of easements provided in the Declaration. Any rules or regulations adopted by the Board may be supplemented, amended, or rescinded by affirmative vote of the Owners of not less than two-thirds of the Tracts in the Subdivision. Any rules or regulations approved by the Owners shall not thereafter be amended or rescinded except upon affirmative vote of the Owners of not less than two-thirds of the Tracts in the Subdivision.

6.06. Committees. The Board may create and disband such committees as the Board may from time to time determine as reasonably necessary or useful, and may delegate such authority to such committees as may be reasonable in connection with the purpose. All committees shall keep records and conduct meetings in the same manner, to the extent applicable, as is required of the Board. Nothing contained herein shall restrict the authority of the President of the Association from appointing advisory committees not inconsistent with committees created by the Board.

ARTICLE 7. OFFICERS

7.01. Officers and Election. The officers of the Association shall be a President, who shall be a director; a Vice President, who shall be a director; a Treasurer, a Secretary and such other officers as may be determined from time to time by the Board. All officers shall be elected annually by the Board and may be peremptorily removed by majority vote of all directors at any meeting. Each person may hold two offices except that the President shall not also be the Secretary or an assistant secretary. The Board shall designate the powers and duties of such other officers as it may create.

7.02. President. The President shall be the chief executive officer of the Association. He shall have all of the powers and duties which are usually vested in the office of President of a non-profit corporation. He shall serve as chairman at all Board and membership meetings.

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

7.04. Secretary and Assistant Secretary. The Secretary shall keep the minutes of all proceedings of the Board and of the Members. He shall attend to the giving and serving of all notices to the Members and directors, and other notices required by law. He shall keep the records of the Association, the Board and committees thereof, except those of the Treasurer, and shall perform all other

duties incident to the office of Secretary of a non-profit corporation, as may be required by the Board or the President. The assistant secretary, if such office is created, shall perform the duties of the Secretary when the Secretary is absent and assist the Secretary. The minutes of all meetings of the Members and the Board shall be kept in books available for inspection by Members or their authorized representatives, at any reasonable time. All such records shall be retained for not less than seven years.

7.05. Treasurer. The Treasurer shall have custody of all of the property of the Association including funds, securities and evidences of indebtedness. He shall keep the books of the Association in accordance with generally accepted accounting principles. He shall provide for the collection of Assessments and perform all other duties incident to the office of Treasurer.

7.06. Compensation. The compensation of all employees of the Association shall be fixed by the Board. Officers shall serve without compensation but may be reimbursed for out-of-pocket expenses according to policies adopted from time to time by the Board. No amendment to these By-Laws may provide for any compensation to an officer except upon affirmative vote of 75 percent of all Members and, prior to the Turnover Date, the written consent of the Declarant.

7.07. Term. All officers shall hold office until their successors are chosen and qualified.

7.08. Indemnification. Every Director and every Officer of the Association shall be indemnified by the Association against all expenses and liabilities, including attorney's fees reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party, or in which he may become involved by reason of his being or having been a director and officer of the Association, whether or not he is Director or Officer at the time such expenses are incurred, except in such cases when the Director or Officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties. The foregoing right of indemnification shall be in addition to and not exclusive of all the rights to which such Officer or Director may be entitled.

ARTICLE 8. FISCAL MANAGEMENT

The fiscal management of the Association shall be as set forth in the Declaration and this Article.

8.01. Accounting. Receipts and expenditures of the Association shall be credited and charged to such accounts as the Board, in consultation with its accountants, shall from time to time determine to be necessary, reasonable or appropriate, and as shall be required by applicable law.

8.02. Budget. The Board shall adopt a budget for each fiscal year which shall include the estimated revenues and expense (including any reserves established in accordance with the Declaration) for the year, and the estimated surplus or deficit as of the end of the year immediately preceding the budget year.

8.03. Assessments. Regular Assessments shall be made in advance on or before December 20 preceding the fiscal year for which the Assessment is made. Such Assessment shall be due annually in advance on the date established by the Board, or at the discretion of the Board, in such installments as the Board may determine, payable at the times the Board determines. If an annual Assessment is not made timely, an Assessment shall be presumed to have been made in the amount of the last prior Regular Assessment, which Assessment may be adjusted at such time as the Board levies and establishes the annual Assessment. If the Regular Assessment proves to be insufficient, the Board may levy Special Assessments from time to time as may be necessary, subject to such approval of

Members as may be required by the Declaration. Other Special Assessments as contemplated by the Declaration may be levied by the Board from time to time, with such approval of the Members as may be required by the Declaration. Failure of the Board to adopt a budget or to levy an Assessment in a timely manner shall not affect the validity of an Assessment when adopted, and if necessary the Board may confirm or levy an Assessment retroactive to the beginning of the then current fiscal year.

8.04. Acceleration of Assessments. The Board may elect to accelerate remaining installments of Regular or Special Assessments payable in installments upon default in payment thereof, and such Assessments shall stand accelerated ten (10) days after notice is delivered to or received by the delinquent Owner, or twenty (20) days after mailing of such notice by certified or registered mail, whichever first occurs.

8.05. Expenditures. All funds of the Association shall be expended only upon authorization of the Board. Approval of a budget shall be deemed authority to expend funds for the items and categories of items within the budget.

8.06. Depository. The Depository of the Association shall be in such bank or banks as shall be designated from time to time by the Board, and in which the monies of the Association shall be deposited. Withdrawal of monies from such accounts shall be only by checks or other orders signed by such persons as are authorized by appropriate resolution of the Board. Funds of the Association may be co-mingled or kept in separate accounts except as otherwise required by the Declaration.

8.07. Audit. A financial report shall be prepared annually by the Association within sixty (60) days after the close of the fiscal year, and not later than ten (10) business days after the report is completed, either (a) a copy of the report shall be furnished to each Member, or (b) written notice shall be given to each Member that a copy of the report is available upon request at no charge to the Member. Any copy requested shall be furnished within ten (10) business days after receipt of the request. Such reports shall consist either of (i) financial statements presented in conformity with generally accepted accounting principles, or (ii) a financial report of actual receipts and expenditures, cash basis, which report must show the amount of receipts and expenditures by classification, and the beginning and ending cash balances of the Association. No report need be audited by a certified public accountant, unless the Board determines otherwise.

8.08. Fidelity Bonds. Fidelity Bonds shall be required by the Board for all persons handling or responsible for the Association's funds. The amount of such bonds shall be determined by the Board. The premiums on such bonds shall be paid by the Association as a Common Expense.

ARTICLE 9. PARLIAMENTARY RULES

Robert's Rules of Order, latest edition, shall govern the conduct of the meetings of the Association, the Board and committees of the Association when not in conflict with the Declaration, Articles or these By-Laws.

ARTICLE 10. AMENDMENT

Prior to the Turnover Date, these By-Laws may be amended by the Declarant. Thereafter these By-Laws may be amended by either resolution of the Board and approval at any regular or special meeting duly called for that purpose by the affirmative vote of Members having an absolute majority of all

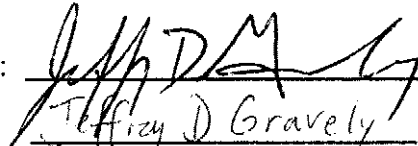
votes entitled to be cast, or by the Members at any regular or special meeting duly called for that purpose by the affirmative vote of a two-thirds majority of all votes entitled to be cast. Notwithstanding the foregoing, no amendment shall be made that is in conflict with the Declaration or the Articles.

**ARTICLE 11.
MISCELLANEOUS**

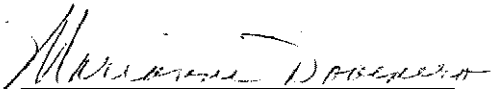
The By-Laws shall be construed together with the Declaration and the Articles. In the event of a conflict between the provisions hereof and the provisions of the Declaration or Articles, the provisions of the Declaration or Articles shall control. The provisions hereof shall be liberally construed to grant to the Association and the Board sufficient practical authority to implement the obligations and authorities under the Declaration. Whenever the context so requires, the use of any gender herein shall be deemed to include all genders, and the use of the singular shall include the plural and the plural shall include the singular. Unless the context shall otherwise clearly require, capitalized terms used herein shall have the same meanings as set forth in the Declaration.

The foregoing was adopted as the By-Laws of the Association by the Board of Directors as of the 31st day of October, 1996.

**PANTHER RIDGE III HOMEOWNERS'
ASSOCIATION, INC.**

By: 
President

ATTEST:



MAKIANALE DOUGENET
Secretary