

DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS

THIS DECLARATION, made on the date hereinafter set forth by VENTURE ONE, a Florida General Partnership, hereinafter referred to as "Declarant".

WITNESSETH:

WHEREAS, Declarant is the owner of certain property in the County of Orange, State of Florida, which is more particularly described as:

All lots in SKY LAKE SOUTH UNITS 6 AND 7, PHASE 3 A, according to the plat thereof as recorded in Plat Book 21, Pages 142, Public Records of Orange County, Florida.

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

ARTICLE 1

DEFINITIONS

Section 1. "Association" shall mean and refer to PROPERTY OWNER'S ASSOCIATION OF SKY LAKE SOUTH UNITS 6 AND 7, PHASE 3 A, INC., its successors and assigns.

Section 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding any other parties having such interest merely as security for the performance of an obligation.

Section 3. "Properties" shall mean and refer to that certain real property described above, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the Owners.

THIS INSTRUMENT PREPARED BY:
CANDICE H. HAWKS
MAGNOLIA SERVICE CORPORATION
P. O. BOX 2249
ORLANDO, FL. 32801

THOMAS H. LOCKER,
Orange County
Comptroller
By TSK
Deputy Clerk
Rec Fee \$ 6.00
Add Rec \$ 2.00
Doc Tax \$ 2.00
Int Tax \$ 1.00
Total \$ 11.00

Return to Clerk to BCC - 5th Floor, County Administration Building - Beverly

Section 5. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

Section 6. "Declarant" shall mean and refer to VENTURE ONE, its successors and assigns if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

Section 7. "Builder" shall mean an owner of one or more developed but unimproved lots purchased for the purpose of the construction of a single-family residential dwelling unit for sale.

ARTICLE II

PROPERTY RIGHTS

Section 1. Owner's Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) the right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;

(b) the right of the Association to suspend the voting rights and right to use of recreational facilities by an Owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations;

(c) the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument signed by two-thirds (2/3) of each class of members has been recorded within the minutes of the Association;

(d) the right of the Association, in accordance with its Articles and By-Laws, to borrow money for the purpose of improving the Common Area and in aid thereof to mortgage such properties in the event of a default upon any such mortgage the lender's rights hereunder shall be limited to right, after taking possession of such properties, to charge admission and other fees as a condition

to continued enjoyment by the members and, if necessary, to open the enjoyment of such properties to a wider public until the mortgage debt is satisfied, whereupon the possession of such properties shall be returned to the Association and all rights of the members hereunder shall be fully restored.

Section 2. Delegation of Use. Any Owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the Property.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every Owner of a Lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 2. The Homeowners Association shall have two classes of voting membership:

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

Class B. The Class B member shall be the Declarant and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

(a) When 75% of the residential lots have been conveyed by the developer (or successor developer), or

(b) On January 1, 1991.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments,

together with interest, costs and reasonable attorneys' fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made and may be foreclosed by the Association and a foreclosure action filed in a court of competent jurisdiction in Orange County, Florida. Each such assessment, together with interest, costs and reasonable attorneys' fees, shall also be the personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively, to promote the recreation, health, safety and welfare of the residents in the properties and for the improvements and maintenance of the Common Area and the landscape buffer as located on the plat.

Section 3. Maximum Annual Assessment. Until January 1, of the year immediately following the recording of these declarations, the maximum annual assessment shall be Seventy Two Dollars (\$72.00) per lot.

(a) from and after January 1, of the year immediately following the recording of these declarations, the maximum annual assessment may be increased each year not more than five percent (5%) above the maximum assessment which could have been imposed for the previous year without a vote of the membership. For purposes of this section, the term "maximum assessment which could have been imposed for the previous year without a vote of the membership" means what the assessment would have been if the 5% increase had been taken every year these declarations were in force.

(b) from and after January 1, of the year immediately following the recording of these declarations, the maximum annual assessment may be increased above 5% by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.

(c) the Board of Directors may fix the annual assessment at an amount not in excess of the maximum. The Board shall also reduce the annual assessment for owners of a vacant Lot (that is, a Lot on which there is no completed dwellings) to a sum not more than fifty percent (50% of the maximum annual assessment levied upon the Owner of an Improved Lot.

Section 4. Special Assessments for Capital Improvements.

In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of votes of members who are voting in person or by proxy at a meeting duly called for this purpose. In the event a special assessment shall be levied as provided above, said special assessment shall be reduced to a sum not more than twenty-five percent (25%) of the said special assessment for the owners of a vacant lot as defined above.

Section 5. Notice and Quorum for any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members, or of proxies entitled to cast sixty percent (60%) of all the votes of the membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 6. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all improved Lots and a uniform rate for all unimproved Lots and may be collected on a yearly, a monthly or other periodic basis by the Association or such agency or attorney as the Board of Directors may designate; it being provided, however, that builders shall, in their sole discretion, pay any and all assessments on a monthly basis.

Section 7. Date of Commencement of Annual Assessments:

Due Date. The annual assessments provided for herein shall commence as to all Lots on the first day of the month following the recording of these declarations or upon the actual subdivision of the Lot, whichever occurs later. The first annual assessment shall be adjusted

according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of that Association setting forth whether the assessments on a specified Lot have been paid.

Section 8. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of six percent (6%) per annum. The Homeowners Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 9. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE V

ARCHITECTURAL CONTROL

No building, fence, wall, or other structure shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an architectural committee composed of three (3) or more representatives appointed by the Board. In the event the Board, or its designated committee fails to approve or

disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with. However, such approval shall not be required or apply to any Lot or Lots owned by the Declarant or The Ryland Group, Inc., in SKY LAKE SOUTH UNITS 6 AND 7, PHASE 3 A and in properties annexed which are approved by VA or FHA.

ARTICLE VI

EXTERIOR MAINTENANCE

In the event an owner of any Lot in the Properties shall fail to maintain the premises and the improvements situated thereon in a manner satisfactory to the Board of Directors, the Association, after approval by two-thirds (2/3) vote of the Board of Directors, shall have the right through its agents and employees, to enter upon the parcel and to repair, maintain, and restore the Lot and exterior of the buildings and any other improvements erected thereon. The cost of such exterior maintenance shall be added to and become part of the assessment to which such Lot is subject. Such entry thereon shall not constitute a trespass. It being provided that this section shall not apply to any lot owned by a builder during the construction of or prior to the sale and closing of any residential dwelling unit.

ARTICLE VII

GENERAL RESTRICTIONS - USE AND OCCUPANCY

Section 1. General Prohibition. No dwelling, dwelling house, garage, outbuilding, structure or appurtenance of any kind, including additions or substantial alterations thereto, shall be erected, placed or maintained on the Properties or any portion thereof that does not conform to the standards, requirements, prohibitions and provisions of this Declaration.

Section 2. Only Residential Purposes. No Lot shall be used in whole or in part for anything other than residential purposes, except for model residential dwelling units which may be maintained by the builder or developer only for purposes of the sale of residential dwellings within the Properties. Other

than conducting the sale of residential dwellings, no trade, traffic or business of any kind, whether professional, commercial, industrial or manufacturing or other non-residential use shall be engaged in or carried on upon the Properties, or any part thereof; nor shall anything be done thereon which may be or which may become an annoyance or a nuisance to the Properties or adjacent properties.

Section 3. Single-Family Residential Use. No building or structure shall be erected, altered, placed or permitted to remain on any Lot other than one (1) single-family residential dwelling and appurtenant outbuildings or structures as may be suitable and necessary for the purposes for which said Lot is permitted to be used.

Section 4. Subdivision. No Lot shall be subdivided or split by any means whatsoever into any greater number of residential plots nor into any residential plot or plots of smaller size without the express written consent of the Homeowners Association's Board of Directors.

Section 5. Occupancy Before Completion. No building or structure upon the Properties shall be occupied until the same is approved for occupancy by such governmental agency which is responsible for regulation of building construction and until it complies with the terms and provisions of these covenants.

Section 6. No Temporary Buildings. No tent, shack, trailer, house trailer, basement, garage, construction trailers, or other outbuilding shall at any time be used on any Lot as a residence temporarily or permanently and no building or dwelling of a temporary character shall be permitted, except as follows: Buildings necessary for construction or sales taking place on the Properties and not intended to be used for living accommodations may be erected and maintained on the property only during the course of construction and sales.

Section 7. Ground Maintenance.

(a) Grass, hedges, shrubs, vines and mass plantings of any type on each Lot shall be kept trimmed and shall at regular intervals be mowed, trimmed and cut so as to maintain the same

in a neat and attractive manner. Trees, shrubs, vines and plants which die shall be promptly removed and replaced.

(b) No weeds, vegetation, rubbish, debris, garbage, objects, waste, or materials of any kind whatsoever shall be placed or permitted to accumulate upon any portion of a Lot which would render it unsanitary, unsightly, offensive, or detrimental to the Properties in the vicinity thereof or to the occupants of any such property in such vicinity.

(c) No building material of any kind or character shall be placed or stored upon any Lot so as to be open to view by the public or neighbors, unless such material will be used and is used within three (3) months after the construction of buildings or structures upon the Lot on which the material is stored.

Section 8. Fences, Walls, Hedges, Mass Planting of Any Type.

(a) No fence, wall hedge, or mass planting of any type exceeding a height of six (6) feet above the finished graded surface of the ground upon which it is located, shall be constructed, planted, placed or maintained upon any Lot without the written consent and approval of the Homeowners Associations's Board of Directors.

(b) No hedge or mass planting of any type exceeding three (3) feet above the finished graded surface of the ground upon which it is located shall be constructed, planted, placed or maintained between the street and the front setback line of any Lot without the written consent and approval of the Homeowners Association's Board of Directors.

(c) No fence or wall shall be constructed or placed forward of the rear building line of any Lot without the written consent and approval of the Homeowners Association's Board of Directors. Chain link fences of any type shall not be permitted.

Section 9. Animals, Birds and Fowl. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except that a reasonable number of dogs, cats or other household pets may be kept provided that they are not kept, bred or

maintained for any commercial purposes. In the event of dispute as to the reasonability of the number of such cats, dogs or household pets kept upon the Properties, the decision and opinion of the Homeowners Association's Board of Directors shall control.

Section 10. Laundry. No clothes, sheets, blankets or other articles shall be hung out to dry on any Lot which may be visible from any street and all clothes, sheets, blankets or other articles so hung out to dry shall be enclosed by a lattice, fence, wall or other screening device.

Section 11. Exterior Light Fixtures. No exterior lighting fixtures shall be installed on any Lot or residential dwelling without adequate and proper shielding of the fixtures. No lighting fixture shall be installed that may become an annoyance or a nuisance to the residents of adjacent properties.

Section 12. Parking. The parking of commercial vehicles, which description shall include trucks (larger than a pick-up truck), truck-tractors, semi-trailers, and commercial trailers, at any time on driveways, otherwise on said premises or on the public streets of said subdivision, is prohibited except as permitted under Section 6 of Article VII, or for loading and unloading purposes or when parked entirely within a closed garage permitted to be built under the provisions of these restrictions. Boats, motor homes, travel trailers and similar recreational vehicles, inoperable vehicles or vehicles under repair are not to be visible from any street.

Section 13. Utility and Drainage Easements. Easements for installation and maintenance of utilities and drainage facilities are shown on the plat, or are of record, and the same are reserved for such use. Within these easements, or on any Lot, no structure, planting, or other material shall be placed or permitted to remain which may damage or interfere with the

installation and maintenance of utilities, or which may change the direction of flow of drainage in the easements, or which may obstruct or retard the flow of water through drainage channels in the easements. It is important that the banks, swales and drainage canals located within the Properties remain undisturbed and properly maintained in order to perform their function. Where any portion of such berms, swales and banks lie within a Lot, the Owner of that Lot shall maintain the same continuously and shall not disturb, damage or otherwise interfere with the berm, swale, drainage canal or other portion of said lake, drainage canal or system which adjoins said Owner's Lot.

Section 14. Excavations. No excavations for stone, gravel, and dirt or earth shall be made on any portion of the Properties; except for the construction of dwellings, walls, foundations, structures and other appurtenances, plans and specifications for which excavations have been approved by the Homeowners Association's Board of Directors. Excavations may be made for swimming pools and landscaping without said Board approval, subject to this Declaration of Covenants.

Section 15. Signs. Except as otherwise permitted by the Homeowners Association's Board of Directors, or signs used by a builder to advertise the property during the construction and sale period, no sign of any character shall be displayed or placed upon any Lot or living unit except "for rent" or "for sale" signs, which signs may refer only to the particular premises on which displayed, shall not exceed six (6) square feet in size, shall not extend more than four (4) feet above the ground, and shall be limited to one (1) sign per Lot or living unit.

Section 16. Refuse. No trash, garbage, rubbish, debris, waste or materials or other refuse shall be deposited or allowed to accumulate or remain on any Lot. Unless otherwise approved by the Homeowners Association's Board of Directors, lightweight containers weighing not more than twenty-five pounds (25 lbs.) are permitted for trash, garbage, rubbish, debris, waste material or other refuse. Said containers must be tied or closed at all times and kept from view by the public or residents within the vicinity. Said containers shall not be placed at streetside for

removal of refuse prior to the evening before the announced pickup time. Said containers must be returned to the utility yard or enclosure within eight (8) hours after announced pickup time.

Section 17. Nuisances. No noxious or offensive trade or activity shall be permitted on any Lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood.

Section 18. Preservation and Maintenance of Slopes, Banks and Swales. No person shall reconstruct, damage or destroy, open, reduce, remove, alter, modify or install any thing or improvement within, over or upon any bank, slope or swale without first obtaining written approval from the Homeowners Association's Board of Directors. No construction or excavation in the proximity of any canal, bank, slope or swale, shall be permitted which, in the opinion of the particular Board of Directors, would impair the stability of the slopes in said area.

Section 19. Wells. No water wells shall be dug on any Lot or on the Properties except for purposes of irrigation of landscaping.

Section 20. Open Burning.

(a) Open burning of wooden materials or vegetation generated by a land clearing operation or the demolition of a structure is allowed if said open burning takes place fifty (50) yards or more from any occupied building or public highway and is performed between 9:00 A.M. and one (1) hour before sunset, or at other times when the approval of the Orange County Pollution Control Board or successor organizations has been received.

(b) Open burning to reduce solid waste on occupied residential premises is not permitted.

Section 21. Maintenance of Common Driveways. Where one private driveway serves two or more Lots, maintenance of said driveway within areas set aside for access easements shall be the equal responsibility of the Owners of the Lots served by said driveway.

Section 22. Swimming Pools. Swimming pools may be constructed on any Lot provided that access to them from outside the Lot is controlled from all directions by fencing and the residential structure. If pools are protected by screens, such screens and

their structures shall be approved by the Board.

Section 23. Preservations of Existing Trees. No existing tree greater than six (6) inches caliper, measured four and one-half (4 1/2) feet above the ground, shall be removed from any Lot for any reason except disease or unless said tree directly interferes with the erecting or placing of the living unit on said Lot.

Section 24. Right to Inspect. The Homeowners Association's Board of Directors may at any reasonable time or times during periods of construction or alteration and within thirty (30) days thereafter enter upon and inspect any Lot and any improvements thereon for the purpose of ascertaining whether the maintenance of such Lot and the maintenance, construction or alteration of structures thereon are in compliance with the provisions hereof; and neither said Board nor any of its agents shall be deemed to have committed a trespass or other wrongful act by reason of such entry or inspection.

Section 25. Antennae and Aerials. No exterior antennae or aerials shall be placed upon residences at a height greater than ten (10) feet above the highest point of the roof. No ham radios or radio transmission equipment shall be operated or permitted to be operated in subject property. No earth satellite signal reception equipment will be visible from the street.

Section 26. Oil and Mining Operations. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any Lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any Lot.

Section 27. Easement to Adjoining Lot Owners. Each Lot owner grants to the adjacent lot owner an easement for the purpose of repairing, maintaining and inspecting the adjacent Lot. The easement area shall be a five (5) foot wide strip adjacent to the abutting Lot, provided, however, that the easement area shall not include any area occupied now or in the future by any portion of any house. Prior to entering the easement area for performing work on the adjacent Lot, the adjacent lot owner shall give the

lot owner reasonable notice of the work to be performed together with an estimate of the time required to complete the work. Any equipment placed in the easement area for the repair or maintenance of the adjacent Lot must be removed at the end of each work day. All work must be performed in a timely manner so as not to create a nuisance. After utilizing the easement area, the adjacent lot owner shall replace any landscaping damaged by the use of the easement area.

ARTICLE VIII

PARTY WALLS

Section 1. General Rules of Law to Apply. Each wall which is built as a part of the original construction of the homes upon the Properties and placed on the dividing line between the Lots shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

Section 2. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use.

Section 3. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

Section 4. Weatherproofing. Notwithstanding any other provision of this Article, an Owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 5. Right to Contribution Runs with Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the Land and shall pass to such Owner's successors in title.

Section 6. Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each party shall choose one arbitrator, and such arbitrator shall choose one additional arbitrator, and the decision shall be by a majority of all the arbitrators.

ARTICLE IX

GENERAL PROVISION

Section 1. Enforcement. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

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

Section 3. Amendment. The Covenants and Restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period only by an instrument signed by not less than ninety percent (90%) of the then Owners, and thereafter by an instrument signed by no less than seventy-five percent (75%) of the then Owners. Any such Amendment must be recorded. Any Amendment hereto shall require the prior approval of the Department of Housing and Urban Development and the Veterans Administration.

Section 4. Annexation. Additional residential property and Common Area may be annexed to the Properties with the consent of two-thirds (2/3) of each class of Members.

Section 5. Federal National Mortgage Association Approval. The following actions will require the prior approval of Federal National Mortgage Association: annexation of additional properties, dedication of common areas, the encumbering of the common areas,

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and the amendment of this Declaration of Covenants, Conditions and Restrictions.

Section 6. Department of Housing and Urban Development and Veterans Administration Approvals. So long as there is a Class B membership the following actions shall require the prior approval of the Housing and Urban Development and Veterans Administration: annexation of additional properties, dedication of common areas, the encumbering of the common areas, and the amendment of this Declaration of Covenants, Conditions and Restrictions.

Section 7. Merging. At such time as the Overall Association has the right to bring the properties within the scheme of the Original Declaration, the Association shall thereupon merge or consolidate with the Overall Association and its properties rights and obligations hereunder shall be transferred to the Overall Association.

Section 8. Mortgage or Conveyance of Common Area. Any mortgage of the Common Area, or any portion shall require the consent of at least 2/3rds of the Lot owners and the approval of the Department of Housing and Urban Development and the Veterans Administration so long as there shall be a Class B membership. If ingress or egress to any residence is required through the common area, or any portion of it, any conveyance or encumbrances of such area shall be subject to an easement for ingress and egress in favor of the affected lot owner or owners.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, have hereunto set their hands and seals this 30th day of October, 1987.

Signed, Sealed and Delivered in the presence of:

Andrew H. Hawks
Theresa L. Edgerton

VENTURE ONE, a Florida General Partnership by VICTORIA EQUITIES, INC. a Florida Corporation, as General Partner


By: A. Wayne Rich (SEAL) (SEAL)
A. WAYNE RICH, PRESIDENT
DECLARANT

STATE OF FLORIDA
COUNTY OF ORANGE

I HEREBY CERTIFY that on this day, before me an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared A. WAYNE RICH as President of VICTORIA EQUITIES, INC., a Florida Corporation as General Partner of VENTURE ONE, a Florida General Partnership, to me known to be the person described in the foregoing instrument, and he acknowledged before me that he executed the same for the uses and purposes therein expressed.

DATED: 10/30/87

Carolee J. Davis
NOTARY PUBLIC
Notary Public State of Florida
My Commission expires Sept. 1, 1991



RECORDED & RETURNED
Thomas H. Parker
County Comptroller, Orange Co., FL