PLEASE NOTE: The following is an accurate transcription of the corresponding document recorded by Orange County on June 20, 2017. It is in PDF format and is searchable using key words. It is provided as a convenience to homeowners. The recorded document is available on the South Bay HOA web site.

AMENDMENT AND RESTATEMENT OF DECLARATION OF COVENANTS AND RESTRICTIONS FOR SOUTH BAY

THIS AMENDMENT AND RESTATEMENT OF DECLARATION OF COVENATNS AND RESTRICTIONS FOR SOUTH BAY (hereinafter referred to as the "Declaration") is made and entered into this 31st day of March, 1988, by JULIAN CONSOLIDATED, INC., a Florida corporation, and by SOUTH BAY HOMEOWNERS' ASSOCIATION, INC., a Florida corporation, on behalf of its Members.

WITNESSETH:

WHEREAS, SOUTH BAY DEVELOPERS, INC., a Florida corporation, was the first Developer of the Subject Property (hereinafter described), as shown in that certain Declaration of Covenants and Restrictions for Sout6h Bay, Sections 1, 1A, 1B and 2 (hereinafter described); and

WHEREAS, SOUTH BAY DEVELOPERS, INC. transferred its Developer rights in SOUTH BAY DEVELOPMENT PROPERTY (hereinafter described) to SELMER CORPORATION, a Florida corporation, its successors and assigns in that certain Transfer of Developers Righters Under Covenants and Restrictions (SOUTH BAY, SECTIONS 1, 1A, 1B and 2) dated May 24, 1983, such instrument being recorded on May 25, 1983, in Official Records Book 3380, Page 1331, Public Records of Orange County, Florida; and

WHEREAS, SELMER CORPORATION has transferred its Developer rights in SOUTH BAY DEVELOPMENT PROPERTY (hereinafter described), to JULIAN CONSOLIDATED, INC., a Florida corporation, its successors and assigns in that Transfer of Developer Rights Under Covenants and Restrictions (SOUTH BAY, SECTIONS, 1A, 1B and 2) dated December 29, 1986; and

WHEREAS, JULIAN CONSOLIDATED, INC., shall hereinafter be referred to as the "Developer"; and

WHEREAS, the Developer desires to create in the SOUTH BAY DEVELOPMENT PROPERTY a residential community with playgrounds, open spaces, and other common facilities for the benefit of said community; and

WHEREAS, the Developer desires to provide for the preservation of the values and amenities in said community and for the maintenance of street lights, playgrounds, open spaces and other common facilities; and, to this end, desires to subject SOUTH BAY DEVELOPMENT

PROPERTY to the covenants, restrictions, easements, charges and liens, hereinafter set forth, each and all of which is and are for the benefit thereof and each Owner thereof; and

WHEREAS, the SOUTH BAY HOMEOWNERS' ASSOCIATION, INC., a Florida not for profit corporation, has been incorporated for the purpose of exercising the functions aforesaid for the SOUTH BAY DEVELOPMENT PROPERTY; and

WHEREAS, the Owners of the real property in the above referenced subdivision are all members of the SOUTH BAY HOMEOWERS' ASSOCIATION, INC., and

WHEREAS, SOUTH BAY DEVELOPERS, INC. previously made and imposed certain covenants and restrictions as set forth in that certain Declaration of Covenants and Restrictions for SOUTH BAY, SECTIONS 1, 1A and 1B, (hereinafter referred to as the "First Declaration"), recorded on December 18, 1979, in Official Records Book 3078, Page 1595, Public Records of Orange County, Florida; and

WHEREAS, SOUTH BAY DEVELOPERS, INC. has also recorded the First Supplement to Declaration of Covenants and Restrictions for SOUTH BAY, SECTION 1, 1A and 1B, such instrument being recorded on the 18th day of December, 1979, in Official Records Book 3078, Page 1620, Public Records of Orange County, Florida, and rerecorded on the 17th day of September, 1980, in Official Records Book 3139, Page 558, Public Records of Orange County, Florida; and

WHEREAS, SOUTH BAY DEVELOPERS, INC. has also recorded the Second Supplement to Declaration of Covenants and Restrictions for SOUTH BAY, SECTIONS 1, 1A and 1B, such instrument being recorded on the 18th day of December, 1979, in Official Records Book 3078, Page 1623, Public Records of Orange County, Florida; and

WHEREAS, SOUTH BAY DEVELOPERS, INC. has also recorded the Third Supplement to Declaration of Covenants and Restrictions for SOUTH BAY, SECTIONS 1, 1A and 1B, such instrument being recorded on the 8th day of August, 1980, in Official Records Book 3130, Page 1438, Public Records of Orange County, Florida; and

WHEREAS, SOUTH BAY DEVELOPERS, INC. has also recorded the Fourth Supplement to Declaration of Covenants and Restrictions for SOUTH BAY, SECTIONS 1, 1A and 1B, such instrument being recorded on the 2nd day of December, 1980, in Official Records Book 3156, Page 1058, Public Records of Orange County, Florida; and

WHEREAS, the First Declaration and its above referenced Supplements relate to the following described property:

> SOUTH BAY, SECTIONS 1, 1A and 1B, per the recorded plates in Plat Book 8, Page 72; Plat Book 8, Page 45; and Plat Book 8, Page 73, Public Records of Orange County, Florida; and

WHEREAS, SOUTH BAY DEVELOPERS, INC. has also previously recorded the Declaration of Covenants and Restrictions as set forth in that certain Supplemental Declaration of Covenants and Restrictions of SOUTH BAY, SECTION 2 (hereinafter referred to as the "Second

Declaration"), such instrument being recorded on the 23rd day of March, 1982, in Official Records Book 3268, Page 1697, Public Records of Orange County, Florida; and

WHEREAS, the Second Declaration relates to the following described property:

SOUTH BAY, SECTION 2, per the recorded plat in Plat Book 11, Pages 30 and 31, Public Records of Orange County, Florida; and

WHEREAS, the Developer has previously recorded the Declaration of Covenants and Restrictions as set forth in that certain Supplemental Declaration of Covenants and Restrictions for SOUTH BAY, SECTION 3 (hereinafter referred to as the "Third Declaration"), such instrument being recorded on the 23rd day of June, 1986, in Official Records Book 3799, Page 5435, Public Records of Orange County, Florida; and

WHEREAS, the Third Declaration relates to the following described property:

SOUTH BAY, SECTION 3, per the recorded plat in Plat Book 17, Pages 111 and 112, Public Records of Orange County, Florida; and

WHEREAS, Developer has also previously recorded the Declaration of Covenants and Restrictions as set forth in that certain Supplemental Declaration of Covenants and Restrictions for SOUTH BAY, SECTION 4 (hereinafter referred to as the "Fourth Declaration"), such instrument being recorded on the 9th day of October, 1986, in Official Records Book 3826, Page 4471, Public Records of Orange County, Florida; and

WHEREAS, the Fourth Declaration relates to the following described property:

SOUTH BAY, SECTION 4, per the recorded plat in Plate Book 18, Page 60, Public Records of Orange County, Florida; and

WHEREAS, the Developer has also previously recorded the Declaration of Covenants and Restrictions as set forth in that certain Supplemental Declaration of Covenants and Restrictions for SOUTH BAY, SECTION 5 (hereinafter referred to as the "fifth Declaration"), such instrument being recorded on the 18th day of July 1986, in Official Records Book 3806, Page 1455, Public Records of Orange County, Florida; and

WHEREAS, the Fifth Declaration relates to the following described property:

SOUTH BAY, SECTION 5, per the recorded plat in Plat Book 17, Page 137, Public Records of Orange County, Florida; and

WHERAS, the Developer has also previously recorded the Declaration of Covenants and Restrictions as set forth in that certain Supplemental Declaration of Covenants and Restrictions for SOUTH BAY, SECTION 6 (hereinafter referred to as the "Sixth Declaration"), such instrument being recorded on the 18th day of July 1986, in Official Records Book 3806, Page 1464, Public Records of Orange County, Florida; and

WHEREAS, the Sixth Declaration relates to the following described property:

> SOUTH BAY, SECTION 6, per the recorded plat in Plat Book 17, Page 138, Public Records of Orange County, Florida; and

WHEREAS, SOUTH BAY PARTNERSHIP, a Florida general partnership, RAYMOND T. COUDRIET and VITA COUDRIET have previously recorded the Declaration of Covenants and Restrictions as set forth in that certain SOUTH BAY VILLAS DECLARATION OF COVENANTS AND RESTRICTIONS fort SOUTH BAY VILLAS (hereinafter referred to as "Villas Declaration"), such instrument being recorded on the 13th day of February, 1986, in Official Records Book 3749, Page 1542, Public Records of Orange County, Florida; and

WHEREAS, the Villas Declaration relates to the following described property:

> SOUTH BAY VILLAS, per the recorded plat in Plat Book 17, Page 7, Public Records of Orange County, Florida; and

WHEREAS, this Declaration shall consolidate, amend and restate all of the above referenced Declarations for Sections 1, 1A, 1B, 2, 3, 4, 5 and 6, and for SOUTH BAY VILLAS, and any supplemental Declarations, in their entirety, and shall be the final and complete Declaration of Covenants and Restrictions for SOUTH BAY; and

WHEREAS, sufficient notice of this Declaration, as required in Article XII or Article XI of each Declaration, Declarations First through Sixth, and Villas Declarations, as amended previously, was given to all Owners residing in Sections 1, 1A, 1B, 2, 3, 4, 5 and 6, and in SOUTH BAY VILLAS; and

WHEREAS, this Amendment and Restatement of Declaration of Covenants and Restrictions for SOUTH BAY has been approved by the required number (percentage) of the votes of all Members in accordance with Article XII of each such Declaration controlling and pertaining to said Sections 1, 1A, 1B, 2, 3, 4, 5, and 6, and in accordance with Article XI of the Villas Declaration controlling and pertaining to SOUTH BAY VILLAS; and

WHEREAS, the Developer hereby acquiesces in the requests and demands by numerous Owners, presently residing in SOUTH BAY, that the Developer assist in amending these Covenants and Restrictions.

NOW, THEREFORE, the above referenced Declarations of Covenants and Restrictions for SOUTH BAY, in their entirety, all sections and land whatsoever, are consolidated, amended and restated into this Declaration which shall read as follows, and all property of SOUTH BAY, described hereinabove, shall be held, sold and conveyed subject to these new restated restrictions, which are for the purpose of protecting the value and desirability of, and which shall run with, the land described above and shall be binding on all parties having any right, title or interest in the subdivision or any part thereof, and shall inure to the benefit of each owner thereof.

1. Whereas Clauses. The "WHEREAS" clauses stated above are true and accurate and are incorporated herein.

2. Amendment and Restatement. The following consolidates, amends and restates all the Declarations and their Supplements referred to hereinabove into one Declaration of Covenants and Restrictions which is to be known as the Restatement of the Declaration of Covenants and Restrictions for SOUTH BAY, hereinafter referred to as the "Declaration":

ARTICLE I

DEFINITIONS

The following words when used in this Declaration (unless the context shall prohibit) shall have the following meanings:

(a) "Association" shall mean and refer to the SOUTH BAY HOMEONWERS' ASSOCIATION, INC.

(b) "The Properties" shall mean and refer to the Subject Property and which term shall also mean the SOUTH BAY DEVELOPMENT PROPERTY.

(c) "Common Property" SHALL mean and refer to those areas of land designated as alphabetical tracts with the word "Tract" followed by a capital letter such as "Tract A" and shown on any recorded subdivision plat of the Properties intended to be devoted to the general use and enjoyment of the Owners of The Properties.

(d) "Lot" shall mean and refer to any plot of land shown on any recorded subdivision map of The Properties, with the exception of Common Property heretofore defined. The word Lot shall also include the Living Unit located thereon when a house has been constructed on the Lot.

(e) "Living Unit" shall mean and refer to any portion of that building or a single family structure situated upon The Properties designed and intended for use and occupancy as a residence by a single family.

(f) "Owner" shall man and refer to the record owner (including the Developer), whether one or more persons or entities, of the fee simple title to any Lot situated upon The Properties. However, no person or entity who holds such title to a Lot merely as a security for the performance of any obligation shall be an Owner, unless and until such mortgagee has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure. The term "Owner" shall not mean or refer to a builder or developer who in its normal course of business purchases any Lot for the purpose of construction a Living Unit thereon for resale, unless that builder or developer occupies or allows occupancy of a Living Unit, then it shall be an Owner for as long as it holds title to the property.

(g) "Member" shall man and refer to all those Owners who are Members of the Association as provided in Article IV, Section I of this Declaration.

(h) "Subject Property" or "The Properties" shall mean and refer to the following: SOUTH BAY, SECTION 1A and 1B, per the recorded plates in Plat Book 8, Page 72, Plat Book 8, Page 45, and Plat Book 8, Page 73, Public Records of Orange County, Florida; SOUTH BAY, SECTION 2, per the recorded plat in Plat Book 11, Pages 30 and 31, Public Records of Orange County, Florida; SOUTH BAY, SECTION 3, per the recorded plat in Plat Book 17, Pages 111 and 112, Public Records of Orange County, Florida; SOUTH BAY, SECTION 4, per the recorded plat in Plat Book 18, Page 60, Public Records of Orange County, Florida; SOUTH BAY, SECTION 5, per the recorded plat in Plate Book 17, Page 137, Public Records of Orange County, Florida; SOUTH BAY, SECTION 6, per the recorded plat in Plat Book 17, Page 138; SOUTH BAY VILLAS, per the recorded plat in Plat Book 17, Page 7, Public Records of Orange County, Florida.

(i) "Developer" shall mean JULIAN CONSOLIDATED INC., a Florida corporation, and its successors, legal representatives and agents.

(j) "Builder" or "builder" shall man a person or entity, who in its normal course of business purchases a Lot for the purpose of construction a Living Unit thereon for resale, which term could include JULIAN CONSOLIDATED, INC. for the purposes contained in this definition if Developer pulls its own building permit for a Lot.

(k) "Entrance Road Site" shall mean and refer to that certain real property described as follows:

The Granada Boulevard, per the recorded plat in Plat Book 9, Page 67, Public Records of Orange County, Florida; and, The Granada Commons, per the recorded plat in Plat Book 9, Page 24, Public Records of Orange County, Florida.

(l) "Builder owner" shall man a builder who is a record title owner of a Lot in The Properties.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION AND ADDITIONS TO THIS EXISTING PROPERTY

Section 1. Property Subject to Declaration.
Subject Property is, and shall be, held, transferred, sold, conveyed, and occupied subject to this Declaration.

Section 2. Additions To This Existing Property.
No other contiguous lands, nor lands obtained by a merger or consolidation of the Association with another Association, nor unplatted additions in accordance with the General Plan of Development, if any, shall be added or made a part of the Subject Property without the consent of the majority of the Board of Directors of the Association, the Developer and the vote of fifty-one percent (51%) of the Owners. If such consent is obtained, lands shall be added in accordance with a written Agreement between the Board of Directors of the Association and the Developer, and as approved by fifty-one percent (51%) of the Owners.

ARTICLE III

DEVELOPER

JULIAN CONSOLIDATED, INC., a Florida corporation, is the Developer of the Subject Property by and through that certain Transfer of Developer Rights under Covenants and Restrictions of SOUTH BAY, SECTIONS 1, 1A, 1B and 2, executed between Selmer Corporation and JULIAN CONSOLIDATED, INC., dated February 21, 1985, and recorded on February 22, 1985, in Official Records Book 3610, Page 2172, Public Records of Orange County, Florida, and by virtue of having initially platted the balance of the subject Property. JULIAN CONSOLIDATED, INC., a Florida corporation, shall hereinafter be referred to as the Developer, unless and until such time as one or all of the following events occur:

(a) the developer owns ten (10) or less Lots in the Subject Property; or

(b) the Developer sells more than fifty-one percent (51%) of its stock; or

(c) the Developer ever goes out of business such that it shall:

(1) consent to the appointment of a receiver, trustee or liquidator of all or a substantial part of the Developer's assets, or

(2) be adjudicated bankrupt or insolvent, or file a voluntary petition in bankruptcy, or admit in writing its inability to pay its debts as they become due; or

(3) make a general assignment for the benefit of creditors; or

(4) file a petition or answer seeking reorganization or arrangement with creditors, or to take advantage of any insolvency law; or

(5) file an answer admitting the material allegations of the petition filed against the Developer in any bankruptcy, reorganization or insolvency proceedings; or

(6) in the event any order, judgment or decree shall be entered upon an application of a creditor by a court of competent jurisdiction approving a petition seeking appointment of a receiver or trustee of any or a substantial part of the Developer's assets and such order, judgment or decree shall continue unstayed and in effect for a period of thirty (30) consecutive days; or

(7) be dissolved voluntarily or by operation of law.

In the event that JULIAN CONSOLIDATED, INC. should cease to be the Developer for any of the above stated reasons, the Association shall be responsible for the duties and obligations of the development of SOUTH BAY. The Association hereby agrees to indemnify and hold harmless, JULIAN CONSOLIDATED, INC., its agents, representatives, employees, attorneys, successors or assigns, from any claims or actions relating to or resulting from the acquiescence or participation of JULIAN CONSOLIDATED, INC. in approving this Amendment and Restatement of Declaration of Covenants and Restrictions for SOUTH BAY, provided JULIAN CONSOLIDATED, INC., shall adhere to the terms of this document in its entirety and not be in material default thereunder. Agents shall include, but not be limited to, all members of the ARB or Board of Directors appointed ty or representing JULIAN CONSOLIDATED, INC.

ARTICLE IV

MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. Membership.

(a) Every person or entity who is a record owner of a fee or undivided fee interest (including the Developer) in any Lot which is subject, by the Declaration, to assessment by this Association, shall be a Member of the Association, provided that any such person or entity who holds such interest merely as a security for the performance of any obligation shall not be a Member, unless and until such person or entity has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure. The term "Member" shall not mean or refer to a builder who in its normal course of business purchases a Lot for the purpose of construction a Living Unit thereon for resale, unless such builder or developer occupies or allows to be occupied the Living Unit as a single family residence.

(b) For the purpose of this Article IV the Developer shall be considered the record Owner of a fee simple interest in, and therefore a Member to, all unsold Lots and unsold Living Units (excluding resales) developed or platted in the SOUTH BAY DEVELOPMENT PROPERTY as defined in the Declaration, which are owned by builders and not by persons who own said Lots for future construction of their own personal residences or for resale at a profit (an investor).

(c) Regardless of the possible loss of its Developer status, for purposes of this Article IV herein, the Developer shall retain status as a Member to any Lot and Living Unit owned by persons or entities not entitled to Membership as herein defined.

Section 2. Voting Rights.

(a) Each Member, including the Developer, shall be entitled to one (1) vote for each Lot in which he holds the interest or qualifications required for Membership by Section 1 of this Article IV.

(b) Membership in the Association shall be appurtenant to, and may no be separated from, ownership of a Lot. When more than one person owns a Lot, the vote for such Lot shall be exercised as they among themselves determine, but in the event of disagreement among such persons and an attempt by two (2) or more of them to cast such vote or votes, such persons shall not be recognized and such vote or votes shall not be counted.

(c) No Member, including the Developer, shall be allowed to cast a vote for any Lot on which any assessments levied pursuant to Article VIII below are delinquent and on which Lot a lien has been imposed.

ARTICLE V

PROPERT RIGHTS IN THE COMMON PROPERTY

Section 1. Use of Common Property.
Subject to the provisions of Section 3 of this Article, every Member shall have a right and easement of enjoyment in and to the Common Property and such easement shall be appurtenant to and shall pass with the title to every Lot.

Section 2. Title to Common Property.
The Developer may retain the legal title to the Common Property until such time as it has completed improvements thereon and until such time as, in the opinion of the Developer, the Association is able to maintain the same. The Developer may convey to the Association certain items of the Common Property and retain others. To illustrate, the Developer may, at its discretion, immediately convey all landscaped beautification areas, street lights, or such other items to the Association upon completion of same without conveying to the Association certain other Common Property. Notwithstanding any provision herein to the contrary, the Developer hereby covenants, for itself, its successors and assigns, that it shall convey all Common Property located within The Properties when the Developer has legally conveyed to Owners other than itself one hundred percent (100%) of the Lots within the Properties.

Section 3. Extent of Members' Rights.
The rights and easements of enjoyment created hereby shall be subject to the following:

(a) The right of the Developer and of the Association in accordance with its Articles and Bylaws, to borrow money for the purpose of improving the Common Property, and in aid thereof, to mortgage the Common Property; and

(b) The right of the Association to take such steps as are reasonably necessary to protect the Common Property against foreclosure; and

(c) The right of the Association, as provided in its Articles and Bylaws, to suspend the enjoyment right of any Member for any period during which any assessment remains unpaid, and for any

period not to exceed thirty (30) days for any infraction of its published rules and regulations; and

(d) The right of the Association to charge reasonable admission and other fees for the use of the Common Property; and

(e) The right of the Association to dedicate or transfer all or any part of the Common Property to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members. However, no such dedication or transfer, determination as to the purposes or as to the conditions thereof, shall be effective unless written notice of the proposed agreement and action thereunder is sent to every Member at least thirty (30) days in advance of any action taken; and unless fifty-one percent (51%) of the Members have agreed to such dedication, transfer, purpose or condition; and

(f) The rights of Members shall in no way be altered or restricted because of the location of the common Property in a phase of The Properties in which such Member is not a resident. The Common Property shall be used by the membership, notwithstanding the section of The Properties in which the Lot is acquired.

ARTICLE VI

WETLANDS

Section 1. The Wetlands.
The area which is described as those portions of Lots 6, 7, 8, and Tract B, SOUTH BAY, SECTION 1, as shown in that Exhibit "A" of that certain Fourth Supplement to Declaration of Covenants and Restrictions for SOUTH BAY, SECTIONS 1, 1A and 1B, as recorded on December 2, 1980, in Official Records Book 3156, Page 1058, Public Records of Orange County, Florida, as incorporated by reference herein, has been designated a Wetlands Area. This Area is characterized by Bay trees, various types of ferns and other wetlands vegetation. Because of its topography and vegetation, this area has been designated as environmentally sensitive by the Department of Environmental Regulation.

Section 2. Restrictions for Wetlands.
The following additional restrictions apply with respect to the property described in Section 1 of this Article VI:

(a) There shall be no clearing of any type, no cutting of any trees, no removal of vegetation, nor shall any digging or filling be

permitted within the areas described in Section1 of this Article VI without the prior written approval of the Architectural Review Board.

(b) In order to preserve the natural state of the Wetlands area, the Lot Owners for Lots 7 and 8, SOUTH BAY, SECTION 1, are hereby required to construct wooden foot bridges on each Lot, allowing passage from that portion of each Lot away from the lake over the Wetlands Area to the portion of the Lot adjacent to the lake without any disturbance of the Wetlands Area. The required foot bridge for each Lot shall be of a location, design, quality, and construction which shall be approved in advance by the Architectural Review Board.

(c) Should any damage, destruction, cutting, clearing, digging or filling of any portion of the Wetlands Area occur, the Lot Owner responsible for such damage must correct the damages caused, including the restoration of the Wetlands Area to its original condition, and, further including the payment of all necessary legal fees, including the cost of any necessary administrative hearings and any appeals, which are required in order to obtain compliance with the Declaration. These sanctions shall be in addition to, and not in any way a limitation of, the sanctions provided by other Sections of the Declaration of Covenants and Restrictions.

ARTICLE VII

EASEMENTS

Section 1. Owners' Rights and Duties; Utilities.
The rights and duties of the Owners with respect to water, sewer, electricity, gas and telephone lines and drainage facilities shall be governed by the following:

(a) Wheresoever sanitary sewer house connections, water house connections, electricity, gas and telephone lines or drainage facilities are installed within the Subject Property, the Owners of any Lot served by said connections, line or facilities shall have the right, and there is hereby reserved to the Developer, its successors and assigns, an easement to the full extent necessary therefor, together with the right to grant and transfer the same to the Owners, to enter upon the Lots owned by others, or to have utility companies enter upon the Lots owned by others, in or upon which said connections, lines or facilities, or any portion thereof lie, to repair, replace and generally maintain said connections, lines or facilities, as and when the same may be necessary as set forth below.

(b) Wherever sanitary sewer house connections, water house connections, electricity, gas and telephone lines or drainage facilities are installed within the Subject Property, which connections serve more than one (1) Lot, the Owner of each Lot served by said connection shall be entitled to the full use and enjoyment of such portions of said connections as service his Lot. In the event that an Owner or a public utility company serving such Owner enters upon a Lot or any portion of the Properties in furtherance of the foregoing, it shall be obligated to repair such Lot and restore it to its condition prior to such entry.

Section 2. Construction and Sales.
There is hereby reserved to the Developer, its successors and assigns, including, without limitation, its sales agents and representative and prospective purchasers of Lots together with the right of the Developer, its successors and assigns, to grant and transfer the same over the Common Property, easements for the construction, utility lines, display, maintenance, and exhibit purposes in connection with the erection and sale of Living Units within the Subject Property; provided, however, that such use shall not be for a period beyond the earlier of (i) teen (10) years from the conveyance of the first Lot to an Owner or (ii) the occupancy of all Living Units by persons other than the Builder of such Living Unit, and provided further, that no such use by the developer and others shall otherwise restrict the members in the reasonable use and enjoyment of the Common Property.

Section 3. Utilities.
Easements over the Subject Property for the installation and maintenance of electric, telephone, water, gas, sanitary sewer lines and drainage facilities as shown on the recorded plat of the Subject Property are hereby reserved by the Developer, its successors and assigns, together with the right to grant and transfer the same.

Section 4. Purpose of Entrance Road.
The purpose of the Entrance road Site as described in Article I herein, is to provide ingress and egress to the Properties and real property adjacent and contiguous to the Properties.

Section 5. Nature of Ownership.
The Entrance Road Site does not constitute Common Property as defined in the Covenants and Restrictions nor is it owned by the Association.

Section 6. The Municipal Service Taxing Unit for the Entrance Road Site. The Granada Commons and Granada Boulevard Municipal Service Taxing Unit (hereinafter referred to as the

"MSTU") has been established in accordance with that certain document known as the Resolution Establishing the Granada Commons and Granada Boulevard Municipal Service Taxing Unit (MSTU) for Maintenance of Non-paved Portions of Road Rights-of-way and Areas Over Which Orange County Has a Landscape Easement (hereinafter referred to as the "Resolution"), dated June 3, 1980, such instrument being recorded on June 17, 1980, in Official Records Book 3119, Page 2271, Public Records of Orange County, Florida. Such MSTU is for the purpose of providing such revenue as is necessary for maintenance of the Entrance Road Site for the Properties, and lands contiguous to the Properties, all of which benefit from the Entrance Road Site. Through the MSTU the Board of County Commissioners shall levy special assessments in accordance with the provisions of the above referenced Resolution.

Section 7. Maintenance of Road.
Said Entrance Road Site shall be maintained by Granada Maintenance Corporation, a Florida corporation. At such time as Granada Maintenance Corporation gives written notice to the Association to maintain said Entrance Road Site, the Association shall have the responsibility and obligation to maintain the same at no less than the extent and manner of maintenance previously performed by Granada Maintenance Corporation, with the funds collected from the Municipal Service Taxing Unit.

ARTICLE VIII

COVENANT FOR ASSESSMENTS

Section 1. Types of Persons or Entities to be Assessed.

(a) Any record owner of a fee simple title to any Lot located within the Subject Property (excluding those having interest in a Lot merely as security for the performance of an obligation, unless and until such mortgagee has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosures) who intends to purchase and occupy the Living Unit as a single family residence (or build a Living Unit on his vacant Lot for his future residence) shall be an Owner for purpose of assessment.

(b) All builder owners shall pay in a timely fashion all assessments as set for the in this Article.

(c) With the exception of paying the Enforcement Assessments as set for the in Section 8 below, the Developer shall only be obligated to pay the following assessments when, if ever, the Developer pulls a building permit on a Lot, at which time he assumes the status of a builder owner.

Section 2. Creation of the Lien and Personal Obligation of Assessments. Each Owner and builder owner of any Lot by acceptance of a Deed therefor, whether or not it shall be so expressed in any such Deed or other conveyance, hereby covenants, and agrees to pay to the Association as required in Sections 4-11 below: (1) an original assessment; (2) the annual assessments; (3) the annual capital improvement assessments; (4) the annual security assessments; (5) the enforcement assessments; and (6) any special assessments for capital improvements. Such assessments are to be fixed, established and collected from time to time as hereinafter provided. All such assessments, together with such interest thereon and costs of collections thereof as are hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the Lot against which each such assessment is made. Each such assessment, together with such interest thereon and cost of collection thereof as are hereinafter provided, shall also be the personal obligation of the person who was the Owner or the builder owner of such Lot at the time when the assessment fell due.

If the assessments are not paid on the date when due, then said assessments shall become delinquent and shall, together with such interest thereon and cost of collection thereof as are hereinafter provided, thereupon become a continuing lien on the Lot and Living Unit which shall bind such Lot and Living Unit in the hands of the then Owner, his heirs, devisees, personal representatives and assigns, or the builder owner, its successors, legal representatives and assigns. The Association may cause a lien to be recorded in the Public Records giving notice to all persons that the Association is asserting a lien upon the Lot and Living Unit for the unpaid assessments, interest thereon and costs of collection, including both legal fees and costs and administrative costs.

If the assessment is not paid within thirty (30) days after the delinquency date, the assessment shall bear interest from the date of delinquency at the highest rate of interest allowed by the laws of the State of Florida, and the Association may bring an action at law against the Owner or builder owner, personally obligated to pay the same, or foreclose the lien against the Lot and Living Unit, and there

shall be added to the amount of such assessment the stated interest, together with the costs of the action, including legal fees, whether or not any judicial proceedings are involved, also including legal fees and costs incurred on any appeal of a lower court decision.

Section 3. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents in The Properties and, in particular, for the improvement and maintenance of properties, services and facilities which have been constructed, installed or furnished or may subsequently be constructed, installed, or furnished which are devoted to the purpose and related to the use and enjoyment of the Common Property and of the Lots and Living units situated upon The Properties, including but not limited to:

(a) Payment of operating expenses of the Association;

(b) Lighting, improvement and beautification of access ways and easement areas, and the acquisition, maintenance, repair and replacement of directional markers, signs and street signs and traffic control devices, and costs of controlling and regulating traffic on the access way;

(c) Maintenance, improvement and operation of any private streets or rights-of-way for the benefit of the Subject Property;

(d) Maintenance, improvement and operation of drainage easements and systems;

(e) Management, maintenance, improvement and beautification of parks, lakes, ponds, buffer strips and recreation areas and facilities and other Common Property, and improvements thereon;

(f) Garbage collection and trash and rubbish removal but only when and to the extent specifically authorized by the Association;

(g) Providing police protection, night watchmen, guard and gate services, but only when, and to the extent, specifically authorized by the Association;

(h) Repayment of deficits previously incurred by the Association, if any, in making capital improvements to or upon the Common Property, and/or in furnishing the services and facilities provided herein to or for the Owners and Members of the Association;

(i) Repayment of funds and interest thereon, which have been or may be borrowed by the Association for any of the aforesaid purposes;

(j) Enforcing the recommendations, opinions and determinations of the Architectural Review Board;

(k) Doing any other thing necessary or desirable, in the judgment of the Association, to keep the Properties neat and attractive or to preserve or enhance the value of The Properties, or to eliminate fire, health or safety hazards, or, which in the judgment of the Association, may be of general benefit to the Owners.

Section 4. Original Assessment. The Original Assessment shall be Three Hundred Fifty and No/100 Dollars ($350.00) per Living Unit and shall be paid by each new Owner at the time of closing on a Living Unit. That is, each time a Living Unit is sold to a new Owner, that new Owner is obligated to pay the Original Assessment. A builder may become a new Owner and be obligated to pay the Original Assessment if he occupies or allows occupancy of a Living Unit. The Association may use any part or all of said sum for the purposes set forth in Section 3 of this Article.

Section 5. Annual Assessment. The Annual Assessment for the year commencing January 1, 1987, shall be Three Hundred Third and No/100 Dollars ($330.00) per Lot, payable semi-annually on January 15 and July 15 of each year, with payments to begin on January 15, 1987. This annual assessment shall be in addition to the above mentioned Original Assessment and shall be prorated in the year of initial purchase by the Owner or a builder owner from the Developer. A builder owner shall be obligated to pay the Annual Assessment as to a Lot at such time as he purchases said Lot from the Developer. Such assessment shall be prorated in the year of initial purchase for the builder owner. The Developer shall be exempt from this Annual Assessment until such time, if ever, that Developer pulls a building permit on that Lot, at which time Developer assumes the status of a builder owner. Said assessment shall be paid directly to the Association, to be held in accordance with these provisions.

Section 6. Annual Capital Improvements Assessment. The Annual Capital Improvements Assessment for the year commencing January 1, 1987, shall be One Hundred and No/100 Dollars ($100.00) per Lot, payable annually on July 15 of each year by the Owners and builder owners. Each builder owner shall be obligated to pay said assessment as to a Lot at such time as he purchases said Lot from the Developer. This Annual Capital Improvements

Assessment shall be in addition to the above mentioned assessments. The Association shall use said sum to maintain, repair and operate any capital improvement upon the Common Property, including the necessary fixtures and personal property related thereto. Such assessment shall be prorated in the year of initial purchase for an Owner and builder owner. The Developer shall be exempt from this Annual Capital Improvements Assessment until such time, if ever, that Developer pulls a building permit on a Lot, at which time the Developer assumes the status of a builder owner.

Section 7. Annual Security Assessments. The Annual Security Assessments for the year commencing January 1, 1987, shall be One Hundred Fifty and NO/100 ($150.00) per Living Unit, payable semi-annually on January 15 and July 15 of each year by the Owners and builder owners. This Security Assessment shall be in addition to all other assessments and shall be prorated in the year of initial purchase by an Owner and builder owner. The Association, at the discretion of the Board of Directors of the Association, shall use said sum to provide police protection, night watchmen, and guard and gate services for the Properties. The Developer shall be exempt from this Annual Security Assessment until such time, if ever, that Developer pulls a building permit on a Lot, at which time the Developer assumes the status of a builder owner.

Section 8. Enforcement Assessments. The Enforcement Assessment shall fund a special account immediately upon adoption of this Amendment and Restatement, which shall maintain a minimum balance of Seven Thousand Five Hundred and No/100 Dollars ($7,500.00) and shall be in addition to all other assessments. The Association, at the discretion of the ARB and the Board of Directors of the Association, and in accordance with Article IX hereinbelow, shall use said sum to enforce the recommendations, opinions and determinations of the ARB. To create this account, the Association shall levy an Initial Assessment against each Owner, the Developer, and all builder owners, which is equivalent to their prorate share of the Seven Thousand Five Hundred and No/100 Dollars ($7,500.00) based upon each Lot owned. From time to time, the Association, at its discretion, shall impose any necessary additional assessments to enable the ARB to continue enforcing its recommendations, opinions and determinations. The schedule and amount of such additional Enforcement Assessment shall be determined by the Association at the time such assessment is required.

Section 9. Special Assessments for Capital Improvements. In addition to all other assessments herein authorized, the Association my levy a Special Assessment in any assessment year, applicable to that year only; provided that such assessment shall have the approval

of fifty-one percent (51%) of the Membership who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all Owners and builder owners at least thirty (30) days in advance and shall set forth the purpose of said meeting. Each Owner and builder owner shall be obligated to pay said assessment for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, or unexpected repair or replacement of any capital improvement upon the Common Property, including the necessary fixtures and personal property related thereto. Developer shall be obligated to pay such assessment for each Lot on which he pulls a building permit during the year the special assessment is made.

Section 10. Adjustment to Assessments.

(a) The Association shall send written notice to the Owners, Developer and all builder owners setting forth any adjustment in any assessment and the amount of such assessment. In the case of all assessments, except the Original Assessment which may be amended as provided in this Declaration, such notice must be sent at least thirty (30) days prior to the payment date of the first installment of the assessment for each year.

(b) The Board of Directors of the Association may, after consideration of current maintenance costs and future needs, adjust any assessment in any given year to a lesser amount than the assessment for the previous year, or up to the maximum authorized assessment as provided in the above Sections of this Article or up to fifteen percent (15%) above the assessment for the previous year, whichever is greater. If in any given year, after considering the above factors, an adjusted assessment shall exceed one hundred fifteen percent (115%) of the assessment for the preceding year, upon written application by ten percent (10%) of the Owners within ten (10) days after receipt of notice of such adjustment, as provided herein-above, the Board shall call a special meeting of the Owners within thirty (30) days upon not less than ten (10) days' written notice to each Owner. At such special meeting said assessment shall be considered and the amount exceeding one hundred fifteen percent (115%) of the previous year's assessment shall be charged to the Owners only upon the approval of fifty-one percent (51%) of the votes of Owners who are voting in person or by proxy at said meeting.

Section 11. Developer and Builder Assessments. Notwithstanding any provision herein to the contrary, the assessment rights and obligations of the Developer and all builder owners, as set forth in this Article VIII, shall not be amended in any way without the

written approval of the affected party, except that any such assessment currently due from any builder owner or the Developer may be adjusted up to a fifteen percent (15%) increase over the assessment of the previous year as provided in Section 10 of this Article VIII.

Section 12. Quorum for any Action Authorized Under Section 9 and 10. The quorum required for any action authorized by Section 9 and 10 of this Article shall be as follows:

At the first meeting called, as provided in Sections 9 and 10 of this Article, the presence at the meeting of Members, or of proxies, entitled to cast sixty percent (60%) of all votes of the membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirement set forth in Section 9 and 10 of this Article VIII, and the required quorum at any such subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting, provided that no such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 13. Certificate of Payment. The Association shall, upon demand at any time, furnish to any Owner, builder owner or Developer liable for said assessment a certificate in writing signed by an officer of the Association, setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 14. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be absolutely subordinate to the lien of any first mortgage now or hereafter placed upon the Living Unit subject to assessment. This subordination shall not relieve such Living Unit from liability for any assessment now or hereafter due and payable.

Section 15. Exempt Property. The following property subject to this Declaration shall be exempted from the assessments, charges and liens created herein: (a) all properties to the extent of any easement or other interest therein dedicated and accepted by any local public authority and devoted to public use; (b) all common Property as defined in Article I, Section 1 hereof; and (c) all properties exempted from taxation by the laws of the State of Florida, upon the terms and to the extent of such legal exemption.

Notwithstanding any provisions herein, no land or improvements devoted to dwelling use shall be exempt from said assessments, charges, or liens, except as provided hereinabove.

ARTICLE IX

ARCHITECTURAL REVIEW BOARD

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 be made to any previously improvement on a Lot until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Architectural Review Board as hereinafter defined.

Section 1. Composition.

(a) A committee within the Association known as the "Architectural Review Board", hereinafter referred at as the "ARB", shall consist of one (1) designee of Developer and one (1) designee of the Owners other than the Developer who shall be elected by a vote of not less than fifty-one percent (51%) of the Owners other than the Developer. The appointed designees of the Developer and Owner together shall appoint a qualified architect registered by the State of Florida, or, in the alternative, appoint an architectural designer (person with architectural business or educational background but without certified credentials of a licensed architect), to act as the third member of the ARB. The Arb shall maintain this composition until Developer no longer has any ownership of any land in SOUTH BAY DEVELOPMENT or any builder no longer has an interest in any unsold Lots in the SOUTH BAY DEVELOPMENT. At such time as these conditions are met and the Developer no longer appoints one (1) designee to the ARB, all three (3) members of the ARB shall be appointed by the Board of Directors of the Association and shall serve at the pleasure of the Board; provided that the Board shall then be obligated to appoint to the ARB at least one (1) qualified architect registered by the State of Florida (or, in the alternative, appoint an architectural designer) and one (1) Owner. Consent of the Owners (other than Developer), the Board of Directors of the Association and the Developer, as long as it retains the Developer status, is required to amend or alter the number of members of the ARB, which is herein set forth as three (3) members. A quorum of the ARB shall be two (2) members; however, all three (3) members of the ARB must be mailed reasonable written notice of any ARB meeting. No decision of the ARB shall be binding without a quorum present and a two-thirds (2/3) affirmative vote by the members of the ARB.

(b) Developer, for so long as it, or any builder, has any ownership interest in SOUTH BAY DEVELOPMENT, shall have the power, in its sole and reasonable discretion, to remove any member of the ARB by providing fifteen (15) days written notice to all three (3) ARB members, and all five (5) members of the Board of Directors of the Association, stating which member is to be removed. Such removal shall be effective fifteen ()15) days after the required notices were mailed. Upon any such removal, a replacement shall be selected in accordance with the selection process described in Article IX, Section 1(a), "Composition".

(c) Notwithstanding the requirements of Article IX, Section 1(a) of this Declaration, upon unanimous approval of the Board of Directors of the Association, the Architect's position on the ARB

may be filled by an Owner (other than the developer). Such unanimous approval must be prior to any such appointment, with notice in writing delivered to each member of the Board of Directors of the Association setting forth the proposed replacement, prior to the meeting at which such unanimous approval is sought.

(d) In accordance with Article IX, Section 1(a), an Alternate may be designated for any member of the ARB. Said Alternate shall be selected by, and subject to, the same approvals and removal powers as the ARB member for whom they are an Alternate. Said Alternate shall have the authority to act as a member of the ARB only in the absence of the regular member for whom he or she is an Alternate. No notices are required to be sent to an Alternate, unless the regular ARB member indicates in writing to the other ARB members that he or she will be absent during a prescribed period of time. In such event, said Alternate(s) shall receive all written notices in addition to those receive by the regular members.

Section 2. Planning Criteria.

In order to give guidelines to Owners and Builders concerning construction and maintenance of Living Units, an ARCHITECTUAL REVIEW BOARD PLANNING CRITERIA ("Planning Criteria") has been provided for the Subject Property, a copy of the most current Planning Criteria is attached as Exhibit "A". The Subject Property shall be held, transferred, sold, conveyed and occupied subject to the Planning Criteria set forth in Exhibit "A" as amended from time to time by the ARB.

Section 3. Duties.

The ARB shall have the following duties and powers:

(a) To amend from time to time the Planning Criteria, or to waive minor violations of the Planning Criteria, at the discretion of the ARB. Any amendments shall be set forth in writing and be made known to all members of the Board of Directors of the Association. Any amendment shall include any and all matters considered appropriate by the ARB and not be materially inconsistent with the provisions of this Declaration. In its sole judgment, the ARB shall have the power to resolve any conflicts that may arise in interpreting the Planning Guidelines, and has the power to modify, suspend, alter, delete and amend the Planning Guidelines, and shall determine, from time to time, the suitability of restrictions or guidelines, that may have become obsolete, or otherwise inappropriate; and

(b) To approve all buildings, fences, walls, pools or other structures which shall be commenced, erected or maintained upon The Properties and to approve any exterior additions to or changes or alterations therein. For any of the above, the ARB shall be furnished plans and specifications showing the nature, type, shape, height, materials, and location of the same and shall approve the same in writing as to the harmony of the external design and location in relation to surrounding structures and topography; and

(c) To approve any such building plans, and specifications, Lot grading and landscaping plans; and

(d) To require to be submitted to it for approval any samples of building materials proposed or any other data or information necessary to reach its decision; and

(e) To require each building to submit 4out (4) sets of plans and specifications to the ARB prior to obtaining a building permit, which sets of plans and specifications shall become the property of the ARB; two (2) stamped sets shall be returned to the builder or Owner, to obtain a building permit. Once (1) set shall be mailed to Developer, and one (1) shall be retained by the ARB. The work contemplated must be performed substantially in accordance with the plans and specifications as approved. All approvals of plans or specifications must be evidenced by the signatures of at least two (2) members of the ARB on the plans and/or specifications furnished. The existence of the signatures of at least two (2) members of the ARB on any plan and/or specification shall be conclusive proof of the approval by the ARB of such plans and/or specifications; and

(f) Any builder or Owner with a proposed structure or improvement may submit a set of plans and specifications in accordance with this Article, to each ARB member, in writing, to their address as last recorded with the Board of Directors. In the event that such builder or Owner does not receive a written response within twenty (2)) days from at least two (2) members of the ARB, then Developer's ARB member shall have sole authority to approve or disapprove said builder's plans. In no event shall the builder proceed without express written approval.

(g) For any of the above, all the conclusions and the opinions of the ARB shall be binding, if in its opinion, for any reason, including purely aesthetic reasons, the ARB should determine that said improvement, alternation, etc., is not consistent with the planned development of The Properties or contiguous land thereto.

(h) The ARB shall have the power to set fees for building approvals and review of applications. Homeowners desiring to submit plans for modifying homes shall pay one-half (1/2) the fee on an initial building. The ARB shall have control of all funds paid to it for plan reviews, and shall use such funds in its discretion in compliance with its duties, including reasonable compensation to ARB members.

Section 4. Initial Construction of a Living Unit.

The Owner or builder who initially constructs the Living Unit must complete such construction in a timely manner and substantially in accordance with all plans and specifications approved by the ARB, including plans for Lot grading, building plans and specifications, landscaping plans, pool plans and any other plans for construction of any improvement on the Lot (the "Construction"). The Owner or builder shall notify the ARB in writing when the Construction has been completed and the ARB shall, within ten (10) days of receiving such notice, make an inspection to verify compliance with the approved plans.

Should the ARB or the Developer determine that the Construction has not been completed in accordance with the approved plans and specifications, the ARB shall notify the Owner or builder owner, in writing, citing the deficiencies, and the Owner or builder owner shall within fifteen (15) days after receipt of such notice commence correction of the deficiencies, and continue in an expeditious manner until all deficiencies have been corrected.

Should such Construction not be completed in a timely manner as determined by the ARG, or not be completed in accordance with the plans and specifications approved by the ARB, the ARB, the Board of Directors of the Association, or the Developer shall have the right to seek specific performance of the Owner or builder owner to complete the Construction as approved by the ARB; or in the alternative, to enter upon the Lot and complete the Construction as approved at the expense of the Owner or builder owner, subject, however, to the following provisions. Prior to commencement of any work on a Lot, the ARB or the Developer must furnish prior written notice to the Owner or builder owner at the last address listed in the records of the Association for the Owner or to the builder owner at its last known address, notifying the Owner or builder owner to act within said period of time. The ARB shall have the right to enter in or upon any7 such Lot or to hire personnel to do so to complete the Construction as approved by the ARB. The cost of such work, including labor and materials, shall be assessed against the Lot upon which such work is performed and the Association or

the Developer shall record a Claim of Lien against the Lot for the work performed, and it shall be a lien and obligation of the Owner or builder owner, and shall become due and payable upon the recording of the Claim of Lien and shall be enforced and collected in the same manner as for assessments pursuant to Section 2 of Article VIII hereinbefore, including the right to impose a lien against the subject Lot and foreclose thereon and for the right to collect said charge as a personal obligation of the Owner or builder owner; subject, however, to the provisions of Section 14 of Article VIII in connection with subordination of the lien to certain mortgages and the exemptions set forth therein. Should the ARB, Developer or the Board of Directors of the Association be required to enforce the provisions herein by legal action, the reasonable attorneys' fees and costs incurred, whether or not judicial proceedings are involved, including the attorneys' fees and costs incurred on appeal of such judicial proceedings, shall be collectible from the Owner or builder owner. The ARB, the Developer and the Board of Directors of the Association, or their agents or employees, shall not be liable to any Owner or builder owner for any damages or injury to the property or person of the Owner or builder owner, unless caused by negligent action of the ARB, Developer or the Board of Directors. The provisions of this Section are not intended to modify or supercede any rights and/or remedies contained in any participating builder agreement between the Developer and a builder or any contract between the Developer and an Owner.

Any attorneys' fees or costs and any administrative costs incurred by the ARB, the Developer or the Board of Directors of the Association, in enforcing the provisions hereof, including attorneys' fees and costs on appeal of any lower court decision, shall be payable by the Owner or builder owner, and the Claim of Lien shall further secure the payment of such sums.

Section 5. Certificate of Approval.

Upon completion of the Construction, or upon correction of deficiencies cited by the ARB or the Developer, the Owner or builder owner shall notify the ARB and the Developer in writing to inspect the Lot. If the ARB determines that the Construction has been completed in accordance with the approved plans and specifications, the ARB shall issue to the Owner or builder owner a "Certificate of Approval" in recordable form, executed by a majority of the member of the ARB with the corporate seal of the Association affixed.

Until such time as a Certificate of Approval is issued, the current Owner and all future Owners of the Lot or builder owner shall be

obligated to complete the Construction as approved by the ARB. The recording of a Certificate of Approval shall be conclusive evidence that the Construction as approved by the ARB has been completed, but shall not excuse the Owner or builder owner from the requirement that future changes to such plan be submitted to and approved by the ARB.

Section 6. Alternation of Existing Living Unit.

The Owner or builder who makes exterior additions to, or changes or alteration to, any improvement or constructs any new improvements on the Lot after the initial construction and recording of a Certificate of Approval as described in Section 5 must complete all such work (the "Alterations") in a timely manner and substantially in accordance with all plans and specifications approved by the ARB. The Owner or builder shall notify the ARB and the Developer, in writing, when the Alterations have been completed and the ARB shall, within ten (10) days of receiving such notice, make inspections to verify compliance with the approved plans.

Should the ARB determine that the Alterations have not been completed in accordance with the approved plans and specifications, the ARB or the Developer shall have all the same rights and obligations as provided in Section 4 of this Article to enforce completion of the Alterations.

If correction of the deficiencies is not commenced within fifteen (15) days, or if such correction is not continued thereafter in an expeditious manner, the ARB, the Developer, or the Board of Directors of the Association, shall be entitled to record in the Public Records a "Notice of Non-Compliance" setting forth that the Owner or builder has not completed the alterations in accordance with approved plans and specifications and that the ARB, Developer, or the Board of Directors of the Association, has the right to seek legal action to force the Owner or any grantee of the Owner or builder owner or any assignee or grantee of the builder owner, to complete the Alterations in accordance with the plans and specifications. Said "Notice of Non-Compliance" shall constitute a notice to all potential purchasers from the Owner and assignees or purchasers from the builder that the ARB or the Developer has the right to enforce completion of the Alternations against the Owner, or any grantee of the Owner, or the builder or assignee or purchaser of the builder.

Should the Alternations not be completed in a timely manner as determined by the ARB or the Developer, or should the correction of the deficiencies not be commenced within fifteen (15) days after

notice and continue thereafter in an expeditious manner until completion, or should the Alternations not be completed in accordance with the plans and specifications approved by the ARB, the ARB shall have the same rights and obligations as provided in Section 4 of this Article to enter the Lot to make such corrections or modifications, and to cause a Lien to be recorded in the Public Records to give notice that the Owner or builder owner owes the Association for the cost of such corrections or modifications.

Once the ARB determines that the Alterations have been completed in accordance with the approved plans and specifications, the ARGB or the Developer shall issue to the Owner or builder a Certificate of Approval in recordable form, which shall make reference to the recorded "Notice of Non-Compliance", and be executed by a majority of the member of the ARB or the Developer with the corporate seal of the Association affixed. The recording of the Certificate of Approval in this instance shall be conclusive evidence that the Alterations as approved by the ARB have been completed, but shall not execute the Owner or builder from the requirement that future changes, modifications or alterations be submitted to and be approved by the ARB.

Section 7. Subordination of Obligation and Lien to Mortgages.

The obligations of the Owner or builder, and any Claim of Lien recorded by the ARB as set forth in Section 4 and 6 hereof, and any "Notice of Non-Compliance" recorded by the ARB as set forth in Section 6 hereof, shall be absolutely subordinate, junior and inferior, to the lien of any first mortgage held by an institutional lender either at the time of commencement of the Construction or Alternations, or thereafter. This subordination shall not relieve the Owner or any future Owners, or builders, from the provisions of Sections 4 and 6 of this Article IX.

Section 8. Subsequent "Certificate of Approval" Not Necessary Unless "Notice of Non –Compliance" Recorded.

Notwithstanding anything herein to the contrary, the provisions of Section 4 and 5 herein shall be applicable to initial construction of a Living Unit on the Lot. After the initial construction and the recording of a "Certificate of Approval", it will not be necessary for an Owner or builder to obtain and record a "Certificate of Approval" for any Alterations unless a "Notice of Non-Compliance" is recorded in the Public Records in accordance with Section 6 herein. It will be necessary for an Owner or builder to obtain prior approval of such Alterations from the ARB. Subsequent purchasers of a Living Unit must only determine that one (1) "Certificate of

Approval" has been recorded unless a "Notice of Non-Compliance" is recorded.

Section 9. Enforcement of Planning Criteria.

In addition to the other duties set forth above, the ARB, along with the Developer and the Association, shall have the right and obligation to enforce any and all provisions hereof relating to the Planning Criteria, as amended from time to time by the ARB or the Association. Should any Owner or builder fail to comply with the requirements hereof, or of the Planning Criteria after thirty (30) days written notice, the ARB, the Developer, or the Association shall have the right to enter upon the Lot, make such corrections or modifications as are necessary, or remove anything in violation of the provisions hereof or of the Planning Criteria, and charge the cost thereof to the Owner or builder owner. The ARB, the Developer, or the Association may cause a lien to be recorded in the Public Records, collect costs or incur liabilities in the manner provided in Section 4 of this Article IX hereinbefore. Any complaints by Owners or builders about enforcement of Planning Criteria or Restrictions should be in writing to at least two (2) ARB members.

Section 10. Indemnification.

(a) Subject to the conditions hereinafter set forth, the Association shall indemnify all members of the ARB or former members of the ARB against reasonable expenses, including attorneys' fees, settlement payments, judgments and fines actually incurred by them in connection with the defense of any action, suit or proceeding, or threat or claim of such action, suit or proceeding, no matter by whom brought or in any appeal in which they or any of them are made parties or a party by reason of being or having been a member of the ARB, except in relation to matters as to which any such member of the ARB shall be adjudged in such action, suit or proceeding to be liable for willful misconduct.

(b) Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Association in advance of the final disposition of such action, suit or proceeding, if authorized by all of the non-interested members of the Board of Directors of the Association, upon receipt of an undertaking by or on behalf of the members of the ARB to repay such amount if it shall ultimately be determined that he is not to be indemnified by the Association as authorized herein.

(c) The Association shall have the power to purchase and maintain insurance on behalf of any person who is or was a member

of the ARB, against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Association would have the power to indemnify him against such liability under the provisions of the Articles of Incorporation of the Association.

Section 11. The Board of Directors of the Association.

The Board of Directors of the Association shall agree to follow and help to enforce any and all recommendations, opinions and determinations of the ARB in any capacity available to it, unless the Board unanimously votes against the recommendations, opinions or determinations of the ARB.

ARTICLE X

EXTERIOR MAINTENANCE

Section 1. Exterior Maintenance.

In addition to maintenance upon the Common Property, the Association shall have the right to provide exterior maintenance upon any vacant Lot or upon any Living Unit, subject, however, to the following provisions. Prior to performing any maintenance on a vacant Lot or Living Unit, the Association shall determine that said property is in need of repair or maintenance and is detracting from the overall appearance of the Properties. Prior to commencement of any maintenance work on a Lot, the Association must furnish fifteen (15) days' prior written notice to the Owner, the builder owner or the Developer, if the maintenance problem involves yard work and thirty (30) days' prior written notice if the maintenance involves structural work. Notice must be given to the Owner at the last address listed in the Association's records for said Owner, or the last known address of the builder owner or Developer, notifying the Owner, builder owner or Developer, that unless certain specified repairs or maintenance are made within said fifteen (15) or thirty (30) day period the Association shall make said necessary repairs and charge same to the Owner, the builder owner or the Developer. Upon the failure of the Owner, the builder owner or Developer to act within the required period of time, the Association shall have the right to enter in or upon any such Lot or to hire personnel to do so to make necessary repairs or maintenance as are so specified in the above written notice. In this matter the Association shall have the right to paint, repair, replace and care for roofs, gutters, downspouts, exterior building surfaces, trees shrubs, grass, walks and other exterior improvements.

Section 2. Assessment of Costs.

The costs of such exterior maintenance shall be assessed against the Lot upon which such maintenance is performed and shall be added to and become part of the annual maintenance assessment or charge to which such Lot is subject under Article VIII hereof; and, as part of such annual assessment or charge, it shall be a lien and obligation of the Owner or builder owner or Developer, and shall become due and payable in all respects as provided in Article VIII hereof, including, but not limited to, the right of the Association to record a lien against the Lot for the cost of the maintenance along with any attorneys' fees and costs and administrative fees and costs. Provided that the Board of Directors of the Association, when establishing the annual assessment against each Living Unit for any assessment year as required under Article VIII thereof, may add thereto the estimated cost of the exterior maintenance for that year but shall, thereafter make such adjustment with the Owner, builder owner or Developer as is necessary to reflect the actual cost thereof.

ARTICLE XI

RESTRICTIVE COVENANTS

The Subject Property shall be subject to the following restrictions, reservations and conditions which shall be binding upon the Developer, each and every Owner and Builder and shall be binding upon their respective heirs, personal representatives, successors and assigns, as follows:

Section 1. Land Use.

(a) No Lot shall be used except for residential purposes. No building shall be erected upon any Lot without the prior approval thereof of the ARB as hereinabove set forth. There shall be only one Living Unit per Lot. No Owner, builder owner or Developer may subdivide his Lot, except with the consent of the ARB.

(b) No business, noxious or offensive activity shall be carried on upon the Lot, nor shall anything be done which may be or become an annoyance or nuisance to the neighborhood.

(c) No cows, cattle, horses, hogs, poultry or any other animals shall be raised or kept on the Properties, other than domestic dogs or cats.

(d) No dogs, cates or other permitted pets (as determined from time to time by the ARB) will be allowed to run loose on the Properties. All dogs, cats and other permitted pets must be kept inside the Living Unit, on a leash, or within a fenced area.

Section 2. Living Unit Quantity and Size.

No building shall be erected, altered, placed or permitted to remain on any Lot other than one detached single-family dwelling not to exceed thirty-five (35) feet in height above the building grade. Such permitted buildings may include: Servants' quarters; greenhouse; a storage room and/or a tool room. Unless approved in advance by the ARB, both as to the use as well as the location and architectural design, no garage, servants' quarters, greenhouse, or tool or storage room, or other such buildings may be constructed separate and apart from the Living Unit. Any Living Unit shall have a minimum of two thousand (2,000) square feet of heatable living area, exclusive of open porches or garages.

Section 3. Building Location.

(a) On all streets with a right-of-way width of fifty (50) feet or more, the Living Unit shall not be located nearer than twenty-five (25) feet from the front Lot line, ten (10) feet from the side Lot line and thirty (30) feet from the rear Lot line.

(b) On all streets with a right-of-way width of forty-nine (49) feet or less, the Living Unity shall not be located nearer than thirty (30) feet from the front Lot line, then (10) feet from the side Lot line, and thirty (30) feet from the rear Lot line.

(c) On any adjoining Lots, the front setback shall vary a minimum of five (5) feet unless an exception is approved by the ARB. Corner Lot side setback shall be minimum of twenty-five (25) feet.

Section 4. Garages.

Each Living unit must include a garage large enough for two (2) standard size American automobiles with inside dimensions of at least twenty-two (22) feet by twenty-two (22) feet. No carports shall be permitted. Entrance to all garages must be on the side or rear of the Lot, unless the Lot has a width of ninety-four (94) feet or less at the Living Unit setback line. Any garage entrance visible from the street in front of any Lot shall be equipped with an aesthetically suitable garage door which shall be shut when not in use. All garages and garage doors must be maintained in a useable condition.

Section 5. Water and Sewage Facilities.

No individual water supply system shall be permitted on any Lot without the approval of the ARB. The prohibition against the individual water supply systems does not restrict the right of an Owner to install, operated and maintain a water well on the premises for use only for swimming pools and irrigation purposes.

Section 6. Landscaping.

A basic Landscaping plan for each Living Unit must be designed by a qualified Landscape Architect registered with the State of Florida or a landscape designer whose qualifications are approved by a majority of the ARB and must be submitted to and approved by the ARB. Sodding will be required on all front, side and rear yards.

Section 7. Lake Shore Lots.

(a) On lake shore Lots, no more than twenty percent (20)%) of the natural existing littoral grasses or lakeshore trees shall be removed. An intercept berm along the lake shore must be completed on the basis of plans approved by the ARB by the time of completion of the Living Unit.

(b) On Lots 6 and 7 of Section 1, no fencing or other obstruction shall be erected more than two hundred feet (200) from the front Lot line. On Lot 8 of Section 1, no fencing or other obstruction shall be erected more than two hundred fifty (250) from the front Lot line.

Section 8. ARB Authority.

The ARB shall have authority as hereinabove expressed, from time to time to include within its promulgated residential Planning Criteria other restrictions regarding such matters as prohibitions against window air-conditioning units, for-sale signs, mailboxes, structures, nuisances, garbage and trash disposal, vehicles and repair, removal of trees, gutters, easements, games and play structures, swimming pools, sight distance at intersection, utility connections and television antennas, driveway construction and such other restrictions as it shall deem appropriate. Said restrictions shall be governed in accordance with the criteria hereinabove set forth for residential planning criteria promulgated by the ARB. However, once the ARB promulgates certain restrictions, the same shall become as binding and shall be given the same force and effect as the restrictions set forth herein until the ARB modifies, changes, or promulgates new restrictions or the Association modifies or changes restrictions set forth by the ARB.

Section 9. Association Rights.

The Association shall have the same rights as set forth in Section 8, immediately preceding.

ARTICLE XII

AMENDMENT BY DEVELOPER

The Developer reserves and shall have the sole right (a) to amend these covenants and restrictions for the purpose of curing any ambiguity in or any inconsistency between the provisions contained herein, (b) to include in any contract or deed or other instrument hereafter made any additional covenants and restrictions applicable to the Subject Property which do not lower standards of the covenants and restrictions herein contained, and (c) to release any Lot from any part of the covenants and restrictions which have been violated (including, without limiting the foregoing, violations of building restriction lines and provisions hereof relating thereto) if the Developer, in its sole judgment, determines such violation to be a minor or insubstantial violation.

ARTICLE XIII

ADDITIONAL COVEMANTS AND RESTRICTIONS

No Lot Owner, without the prior written approval of the Board of Directors of the Association, and in accordance with Article XIV of the Declaration, may impose any additional covenants or restrictions on any part of the Subject Property.

ARTICLE XIV

AMENDMENT

Except as to provisions relating to amendments as set forth in Section 11 of Article VIII and Article XII of this Declaration and those regarding certain specific items and the method of amending or altering same, which is set forth in connection with such particular item, any other provisions, covenants or restrictions herein may be amended in accordance with this Article XIV. At least fifty-one percent (51%) of the Members may change or amend any provision hereof, except as able mentioned, in whole or in part. A proposed amendment may be instituted by the Developer, the ARB, the Board of Directors, or by a petition signed by fifteen percent (15%) of the Members. A written copy of the proposed amendment shall be furnished to each Member at least thirty (30) days but not more than ninety (90) days prior to a designated meeting to discuss such particular amendment. Said notification shall contain the time and place of said meeting. The amendment approved by at least fifty-one percent (51%) of the Members shall be executed by the

President and Secretary of the Association and recorded in the Public Records. The recorded amendment shall contain a recitation (1) that sufficient notice was given as above set forth, and (2) that at least fifty-one percent (51%) of the Members approved the amendment either in person at the meeting or in writing before or after the meeting, but before the recording of the amendment. Said recitations shall be conclusive as to all parties and all parties of any nature whatsoever shall have full right to reply upon said recitations in such recorded amendment without the necessity of any Members executing the amendment. In addition, while JULIAN CONSOLIDATED, INCL. is Developer hereunder (see Article III above), the consent of Developer is necessary to amend this Declaration as to land in SOUTH BAY owned by Developer or any builders.

ARTICLE XV

DURATION

The covenants, restrictions and provisions of this Declaration shall run with and bind the land and shall inure to the benefit of the Owners, the Developer, and their respective legal representatives, heirs, successors and assigns until amended, modified or terminated according to the terms of Article XII or Article XIV hereinabove set forth.

ARTICLE XVI

ENFORCEABILITY

Section 1. Litigate.

If any person, firm or corporate, or other entity (other than a governmental agency) shall violate or attempt to violate any of these covenants or restrictions, it shall be lawful for the Developer , an individual Owner, or the Association to maintain a proceeding in any court of competent jurisdiction against any person so violating or attempting to violate, or failing to comply with, any covenants or restrictions, for the purpose of (1) recovering damages against such person or persons, (2) preventing or enjoining all or any such violations or attempted violations, or (3) requiring compliance with any covenants or restrictions. Should the Developer, an individual Owner, and/or the Association be required to enforce any provision hereof, the reasonable administrative costs incurred, and the reasonable attorneys' fees and costs incurred, whether or not judicial proceedings are involved, including the attorneys' fees and costs incurred on appeal of such judicial proceedings, shall all be

collectible from the party against which enforcement is sought. The remedies contained in the provision shall be construed as cumulative of all other remedies now or hereinafter provided by law. The failure of the Developer, its successors or assigns, or individual Owner, or the Association, to enforce any covenant or restriction or any obligation, right, power, privilege, authority or reservation herein contained, however long continued, shall in no event be deemed a waiver of the right to enforce the same thereafter as to the same breach or violation, or as to any other breach or violation thereof occurring prior to or subsequent thereto.

Section 2. Individuality.

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

Section 3. Notice.

Any notice required to be sent to any Member, Owner or builder under the provisions of this Declaration shall be deemed to have been properly sent when mailed, post-paid, to the last known address of the person who appears as Member or Owner on the record of the Association or at the last known address of the builder at the time of such mailing.

ARTICLE XVII

LIABILITY ASSOCIATION

The Association, its Directors and officers, former Directors and officers, and members or former members of all committees appointed by the Board of Directors or the Developer shall not be liable for any action, or omission, by it or any Director, officer or member of a committee, except in relation to matters as to which any such director, officer and/or member of a committee shall be adjudged in any action, suit or proceeding to be liable for willful misconduct. No Member or Owner may collect any judgment against the Association, a Director or former Director, officer or former officer, or a member or former member of any committee appointed by the Developer or the Bard unless the Association or such person, either individually or as an agent for the Association, shall be adjudged guilty of willful misconduct.

IN WITNESS WHEREOF, The Developer, JULIAN CONSOLIDATED, INC., and SUTH BAY HOMEOWNERS' ASSOCIATION, INC. have caused this instrument to be executed by

their duly authorized officers and their corporate seals to be hereunto affixed as of the day and year first above written.

Signed, sealed and delivered
in the presence of:

_____

_____

JULIAN CONSOLIDATED, INC.

By:_____

_____

Its:_____

Attest:_____

_____

(CORPORATE SEAL)

_____

_____

SOUTH BAY HOMEOWNERS' ASSOCIATION, INC.

By:_____

_____

Its:_____

Attest:_____

_____

(CORPORATE SEAL)

STATE OF FLORIDA
COUNTY OF ORANGE

I HERBY CERTIFY that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgements, personally appeared _____, well known to me to be the President of JULIAN CONSOLIDATED, INC., the corporation named as Developer in the foregoing Declaration, and that s/he acknowledged executing the same in the presence of two subscribing witnesses freely and voluntarily under authority duly vested in him/her by said corporation and that the seal affixed thereto is the true corporate seal of said corporation.

WITNESS my hand and official seal in the County and State last aforesaid this ____ day of _____, 2017.

_____
Notary Public
My commission expires: ___-___-___.

STATE OF FLORIDA
COUNTY OF ORANGE

I HERBY CERTIFY that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgements, personally appeared _____, well known to me to be the President of SOUTH BAY HOMEOWNERS' ASSOCIATIONS, INC., the corporation named as the Association in the foregoing Declaration, and that s/he acknowledged executing the same in the presence of two subscribing witnesses freely and voluntarily under authority duly vested in him/her by said corporation and that the seal affixed thereto is the true corporate seal of said corporation.

WITNESS my hand and official seal in the County and State last aforesaid this ____ day of _____, 2017.

Notary Public
My commission expires: ___-___-___.