

**NOTE: SUBSTANTIAL AMENDMENT OF ENTIRE DECLARATION.
FOR PRESENT TEXT SEE EXISTING DECLARATION OF COVENANTS.**

AMENDED AND RESTATED
DECLARATION OF PROTECTIVE COVENANTS,
CONDITIONS AND RESTRICTIONS
OF KINGS LAKE

KNOW ALL MEN BY THESE PRESENTS that the original Declaration of Protective Covenants, Conditions and Restrictions of Kings Lake, Unit No. 1, was recorded in Official Record Book 841, at Page 1791 *et seq.*, of the Public Records of Collier County, Florida. That Declaration, as it has previously been amended, is hereby further amended and is restated in its entirety, as amended.

The land subject to this Declaration (hereinafter “Community” or the “Properties”) is legally described in Exhibit “A” to this Declaration. That Exhibit is hereby incorporated by reference. No additional land is being added by this instrument. The covenants, conditions and restrictions contained in this Declaration shall run with the land and be binding upon and inure to the benefit of all present and future Owners. The acquisition of title to a parcel or any other ownership interest in the Property, or the lease, occupancy or use of any portion of a parcel or the Property, constitutes an acceptance and ratification of all provisions of this Declaration as amended from time to time, and an agreement to be bound by its terms.

1. DEFINITIONS. The following words and terms used in this Declaration or any of the governing documents (unless the context shall clearly indicate otherwise) shall have the following meanings:

1.1 “Architectural Review Committee” or the “**ARC**” means the committee established pursuant to Article 6 of this Declaration to review plans and specifications for the construction or modification of improvements and to administer and enforce the architectural controls described in Article 6.

1.2 “Architectural Planning Criteria” means the published guidelines and standards authorized by this Declaration and the Board of Directors from time to time concerning the location, size, type or appearance of any Structure or improvement located on a Lot as defined herein.

1.3 “Articles” and “Bylaws” as used herein, means the Articles of Incorporation and the Bylaws of Kings Lake Homeowners Association, Inc., as amended from time to time. A copy of the Amended and Restated Articles of Incorporation and Bylaws are attached hereto as Exhibits “B” and “C” respectively.

1.4 “Assessments” means a share of the funds required for the payment of Common Expenses which from time to time are assessed by the Association against an Owner.

1.5 “Association” means Kings Lake Homeowners Association, Inc., a Florida corporation not for profit, which is responsible for the maintenance and operation of the Common Areas and amenities at Kings Lake.

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

- 1 -

1.6 **“Board”** means the Board of Directors responsible for the administration of Kings Lake Homeowners Association, Inc.

1.7 **“Charge”** or **“Personal Assessment”** means any legal or equitable indebtedness of an Owner to the Association, or other sums owed to or due to the Association from an Owner, or any cost or expense incurred by the Association on behalf of or because of an Owner. Said obligations may arise by oral or written contract, by law or in equity, or may be created by these Governing Documents.

1.8 **“Common Areas”** or **“Common Properties”** shall mean and refer to those areas of land intended to be devoted to the common use and enjoyment of the Owners of The Properties. Common Properties shall mean and refer to the parcels described in Exhibit “A.”

1.9 **“Common Expenses”** means the expenses incurred by the Association in the course of performing its duties under the governing documents and the law. Common expenses of the Association include the costs of operating the Association, the costs of administration, maintenance, operation, repair and replacement of the common areas, other expenses declared by the governing documents to be common expenses, and any other valid expenses or debts of the common property as a whole of the Association which are assessed against the parcel Owners.

1.10 **“Common Surplus”** means the excess of all receipts of the Association, including but not limited to Assessments, rents, profits and revenues over the common expenses.

1.11 **“Community Services”** shall mean and refer to any and all television (cable, satellite or otherwise), telecommunication, internet access, wi-fi, alarm/monitoring, utility or other lines, conduits, wires, satellites, amplifiers, towers, antennae, equipment, materials, installations and fixtures (including those based on, containing or serving future technological advances not now known), and serving the Association Property and/or more than one Lot.

1.12 **“Declaration of Covenants”** means this Declaration, as amended from time to time.

1.13 **“Domestic Partners”** means two (2) adults who have chosen to share their lives in a committed relationship that includes a mutual and exclusive commitment to each other's well-being, wherein each partner shares the same permanent address, have no blood relationship that would preclude marriage in the State of Florida, are of the age of legal majority, are jointly responsible for each other's common welfare, share financial interdependence and mutual obligation akin to those of marriage. Domestic Partners shall be considered as married individuals for the purpose of the Declaration.

1.14 **“Family”** or **“Single Family”** means any one (1) of the following:

(A) One (1) natural person (as used in this Declaration, the term “person” or “natural person” shall mean a real person as opposed to an artificial entity such as a corporation, partnership or trust) “Family Member” is a person who resides in a Parcel or Living Unit as part of the Owner's Family, but is not a title holder; or

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

- 2 -

(B) Two (2) or more natural persons who commonly reside together as a single housekeeping unit, each of whom is related by blood, marriage, legal custody or adoption to each of the others; or

(C) Not more than two (2) persons not related by blood, marriage, adoption or legal custody, who reside together as a single housekeeping unit, along with their children, if any.

1.15 **“Governing Documents”** means and includes this Declaration, the Articles and Bylaws, and all recorded exhibits thereto, as amended from time to time.

1.16 **“Guest”** means any person who is not the Owner or a lessee of a home or Residence or a member of the Owner's or lessee's family, who is physically present in, or occupies a home or Residence on a temporary basis at the invitation of the Owner or other legally permitted occupant, without the payment of consideration.

1.17 **“Home” or “Residence”** means each one of the one thousand one hundred seventy-three (1,173) Residences intended for residential use which is constructed on a lot or parcel.

1.18 **“Institutional Mortgagee”** means the mortgagee (or its assignee) of a mortgage against a parcel, which mortgagee is a bank, savings and loan association, mortgage company, insurance company, real estate or mortgage investment trust, pension or profit sharing trust, the Federal Housing Administration, the Veterans Administration, or any agency of the United States of America. The term also refers to any holder of a mortgage against a parcel which mortgage is guaranteed or insured by the Federal Housing Administration, the Veterans Administration, any agency of the United States of America, or by any other public or private corporation engaged in the business of guaranteeing or insuring residential mortgage loans, and their successors and assigns.

1.19 **“Lease”** means the grant by a residential Owner of a temporary right of use of the Owner's parcel and Residence for valuable consideration.

1.20 **“Lot,” “Parcel” or “Unit”** means a parcel of land located within the real property described in Exhibit “A” upon which a home or Residence has been or may be permanently placed and affixed and which fee simple title to the parcel has been conveyed to the Owner of the home. No lot or parcel may be subdivided or joined together without the consent of the Association. “Unit” shall also refer to any portion of a building situated on the Properties, designed and intended for use and occupancy by a commercial or other entity. By way of example, but not limitation, the term “Unit” shall include a condominium apartment, a townhouse unit or any other form of single family residential dwelling including single family homes.

1.21 **“Members”** means and refers to those persons who are entitled to membership in the Association as provided in this Declaration and the Association’s Articles of Incorporation and Bylaws.

1.22 **“Neighborhood”** means a condominium, a group of single-family homes or villas, or any other residential sub-area development within the Community, where all the Parcels and Living Units are subject to a single common recorded Neighborhood Declaration of Covenants or Declaration of Condominium.

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

- 3 -

1.23 **“Neighborhood Association”** means any one condominium association as defined in Section 718.103(2), Florida Statutes, as amended from time to time (“Condominium Neighborhood Association”), an incorporated homeowners association as defined in Section 720.301(9), Florida Statutes, as amended from time to time (“HOA Neighborhood Association”), a commons association, or any other incorporated mandatory membership community association operating a Neighborhood, or operating facilities or property serving two or more Neighborhoods.

1.24 **“Neighborhood Common Areas”** means that real property, including any improvements and fixtures thereon, which is owned or leased by, or dedicated to, a Neighborhood Association for the common use and enjoyment of its Members. If any Neighborhood has been submitted to the condominium form of ownership, this term includes the common elements of the condominium.

1.25 **“Occupy”** when used in connection with a residential parcel, means the act of staying overnight in a home or Residence. **“Occupant”** is a person who occupies a home or Residence.

1.26 **“Owner” or “Parcel Owner”** means the record owner of legal title to a parcel or lot.

1.27 **“Primary Occupant”** means the natural person approved for occupancy of a home or Residence when title to the home or Residence is held in the name of two or more persons, not husband or wife, or by a trustee or a corporation or other entity which is not a natural person. When used in reference to a parcel owned in one of the forms listed above, the term “primary occupant” shall be synonymous with the term “Owner.”

1.28 **“Properties” or “Community”** means all the real property which is subject to this Declaration as described in Exhibit “A,” of this Declaration.

1.29 **“Single Family Home”** means a Lot that has a Single Family Home or Villa that is constructed upon the Lot.

1.30 **“Structure”** means that which is built or constructed, or any piece of work artificially built up or composed of parts joined together in some definite manner, the use of which requires a more or less permanent location on the ground. The term shall be construed as if followed by the words “or part thereof.” The term includes, without limitation, swimming pools, fences, flagpoles, antennas, playground equipment, and storage sheds.

1.31 **“Voting Interests”** means the voting rights distributed to the Association members pursuant to the Bylaws.

2. ASSOCIATION.

2.1 **Membership.** Every Owner of a parcel shall be a member of the Association, and by acceptance of a deed or other instrument evidencing his ownership interest, each Owner accepts his membership in the Association, acknowledges the authority of the Association as herein stated, and agrees to abide by and be

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

bound by the provisions of this Declaration, the Articles and Bylaws, and the rules and regulations of the Association, as amended from time to time. Owners agree to maintain such membership in good standing as long as they own such property.

2.2 Transfer. Transfer of ownership, whether voluntary or by operation of law, shall terminate membership in the Association and said membership is then vested in the transferee, as further set forth in the Bylaws.

2.3 Voting Rights. Members shall have, and exercise, such voting rights as provided in the Bylaws of the Association.

2.4 Multiple Owners. When more than one person or entity shall at any time be the Owner of a Parcel subject to a membership interest, the vote attributed to such Parcel shall be exercised as provided in the Bylaws.

2.5 Articles of Incorporation. A copy of the Amended and Restated Articles of Incorporation of the Association is attached to this Declaration as Exhibit "B."

2.6 Bylaws. The Bylaws of the Association shall be the Amended and Restated Bylaws attached to this Declaration as Exhibit "C," as they may be amended from time to time.

2.7 Delegation of Management. The Association may contract for the management and maintenance of those portions of the Property it is required to maintain, and may authorize a licensed management agent to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of Assessments, keeping of records, enforcement of rules and maintenance, repair and replacement of the common areas with funds made available by the Association for such purposes.

2.8 Acts of the Association. Unless the approval or affirmative vote of the parcel Owners is specifically made necessary by some provision of the law or the governing documents, all approvals or actions permitted or required to be given or taken by the Association may be given or taken by its Board of Directors, without a vote of the parcel Owners. The officers and Directors of the Association have a fiduciary relationship to the parcel Owners. A parcel Owner does not have the authority to act for the Association by reason of being a parcel Owner.

2.9 Powers and Duties. The powers and duties of the Association include those set forth in Chapters 617 and 720, Florida Statutes, and in the governing documents. The Association may contract, sue, or be sued with respect to the exercise or non-exercise of its powers and duties. For these purposes, the powers of the Association include, but are not limited to, the maintenance, management, and operation of the common areas. The Association may impose fees for the use of common areas or Association property. The Association has the power to enter into agreements to acquire leaseholds, memberships and other ownership, possessory, easement or use interests in lands or facilities for the use and enjoyment of the Owners. The Board of Directors has the power to enter into bulk-rate contracts for all Community Services, including but not limited to communication services as defined in Chapter 202, Florida Statutes (such as basic cable

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

- 5 -

television programming services, telephone), information services and/or internet services in bulk for the entire community, and the cost of such services shall be a common expense allocated on a per unit basis.

2.10 Official Records. The Association shall maintain its official records as required by law. The records shall be open to inspection by members or their authorized representatives at all reasonable times. The right to inspect the records includes a right to make or obtain copies at the reasonable expense of the member seeking copies.

2.11 Purchase of Parcels. The Association has the power, but not the obligation, to purchase Lots in the community in connection with the foreclosure of an Association lien for Assessments, charges or fines or any other foreclosure of an interest that affects the Association's lien and to hold, Lease, mortgage, encumber or convey them with such power to be exercised by the Board of Directors without prior approval of the members

2.12 Interests in Real Property. The Association has the power to acquire property, both real and personal. The power to acquire personal property shall be exercised by the Board of Directors. Except as otherwise provided in Section 2.9 above, the power to acquire, or convey ownership interests in real property shall be exercised by the Board of Directors only after approval by at least a majority of the voting interests of the Association, present, in person or by proxy, at a duly called meeting of the members of the Association, called for the purpose. However, the power to lease or grant easements to Association property or common areas shall be exercised solely by the Board of Directors.

2.13 Disposition of Personal Property. Any personal property owned by the Association, may be mortgaged, sold, or otherwise encumbered or disposed of by the affirmative vote of a majority of the entire Board of Directors, without need for authorization by the Owners.

2.14 Bulk Agreements. The Board of Directors of the Association, by a majority vote pursuant to the applicable provisions of the Bylaws, shall have the power to enter into an agreement with an entity providing bulk services for Community Services, including but not limited to, cable television service to obtain cable television service on a "bulk rate" basis. Pursuant to such "bulk rate" agreement, every residential Lot within the property subject to this Declaration shall receive the bulk service specified in such agreement and any "bulk rate" fee or payment provided for in any such agreement which is to be paid by the Association to the provider shall be a common expense of the Association.

2.15 Roster. The Association shall maintain a current roster of names and mailing addresses of Unit Owners, based upon information supplied by the parcel Owners. A copy of the roster shall be made available to any member upon request.

3. ASSESSMENTS. The provisions of this section shall govern Assessments payable by all Owners of parcels, for the common expenses of the Association not directly attributable to one of the parcels.

3.1 Covenant to Pay Assessments. Each Owner of a parcel by the act of becoming an Owner covenants and agrees, and each subsequent Owner of any parcel (including any purchaser at a judicial sale), by

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

- 6 -

acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay the Association:

- (A) the Owner's prorata share of annual Assessments based on the annual budget adopted by the Association;
- (B) the Owner's prorata share of Special Assessments for capital improvements or other Association expenditures not provided for by annual Assessments; and
- (C) any charges properly levied against individual Owner(s) without participation from other Owners.
- (D) irrigation charges to an individual Lot.

Assessments and charges shall be established and collected as provided herein and elsewhere in the governing documents. The Owner of each parcel, regardless of how title was acquired, is liable for all Assessments or installments thereon coming due while he is the Owner. Multiple Owners are jointly and severally liable. Except as provided in Section 3.13 below, whenever title to a parcel is transferred for any reason, the transferee is jointly and severally liable with the transferor for all unpaid Assessments and charges against the transferor, regardless of when incurred, without prejudice to any right the transferee may have to recover from the transferor any amounts paid by the transferee. No Owner may waive or otherwise escape liability for the Assessments and charges provided for herein by waiver or non-use of the common areas, by abandonment, or otherwise. Except as provided elsewhere in the governing documents as to Institutional Mortgagees, no Owner may be excused from the payment of Assessments unless all Owners are similarly excused. Assessments and other funds collected by or on behalf of the Association become the property of the Association. No parcel Owner has the right to claim, assign or transfer any interest therein except as an appurtenance to his parcel. No Owner can withdraw or receive distribution of his prior payments to the Common Surplus or Association reserves, except as otherwise provided herein or by law. When an Owner conveys a parcel to a trust or other entity, the Association may condition its approval upon the transferors agreeing to remain liable to the Association for any Assessments, charges, monetary obligations or other obligations owing to the Association as of the date of the approval, and for so long as the transferee trust or other entity may remain the title holder of the parcel.

3.2 Purposes of Assessments. The Assessments levied by the Association shall be used for the purposes of promoting the health, safety and general welfare of the parcel Owners and residents of Kings Lake; to operate, maintain, repair, improve, construct, reconstruct and preserve, on a not for profit basis the common areas owned by the Association for the benefit of its members, their guests, tenants and invitees; and to perform all other duties and responsibilities of the Association as provided in the governing documents. Common expenses also include the funds necessary to provide reserve accounts for:

- (A) renovation or major repairs to the common areas; and
- (B) for emergency and other repairs required as a result of storm, fire, natural disaster or other casualty loss.

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

3.3 Share of Assessments. Kings Lake contains one thousand one hundred seventy-three (1,173) Units. The Owners of each Unit shall be jointly and severally liable for an undivided one thousand one hundred seventy-third (1/1,173) share of annual and Special Assessments. The Owners of each Unit shall also be jointly and severally liable with the prior parcel Owner(s) for all unpaid Assessments that come due prior to the transfer of title.

3.4 Personal Assessment. Any Owner, and such Owner's lessees, guests, invitees, and occupants of their parcel, who cause damage to any portion of the Common Areas as a result of an intentional act, misuse, negligence or otherwise shall be subject to a Personal Assessment, or Charge, to be levied against such Owner. A Personal Assessment or Charge shall also be levied against any Owner who does not meet their maintenance obligations under the Governing Documents including the Rules and Regulations, after having received reasonable written notice and an opportunity to cure the violation, resulting in the Association being required to take corrective action and incur expense. Such personal Assessments shall be collected by lien under Section 3.5, below, as if an Assessment.

3.5 Lien. The Association has a lien on each parcel for unpaid past due Association Assessments, Personal Assessments and Charges, together with interest, late payment penalties and reasonable attorney fees incurred by the Association in enforcing this lien. The lien relates back to the date of the original recording of this Declaration in the Public Records of Collier County, Florida; and is perfected by recording a Claim of Lien in the public records of Collier County, which Claim of Lien shall state the description of the property encumbered thereby, the name of the record Owner, the amounts then due and the dates when due. The Claim of Lien must be signed and acknowledged by an officer or agent of the Association. The lien shall continue in effect until all sums secured by said lien have been fully paid, and the lien satisfied or discharged. The Claim of Lien shall secure all unpaid Assessments, Personal Assessments, Charges, administrative fees, late fees, interest, costs and attorney fees which are due and which may accrue or come due after the recording of the Claim of Lien and before the entry of a final judgment of foreclosure. Upon full payment, the person making payment is entitled to a satisfaction of the lien.

3.6 Foreclosure of Lien. The Association may bring an action in its name to foreclose its lien for unpaid Assessments or charges by the procedures and in the same manner as is provided in Section 720.3085, Fla. Stat., as amended from time to time, for the foreclosure of a lien upon a Parcel for unpaid Assessments. The Association may also bring an action at law against any Owner liable for unpaid Charges or Assessments. If final judgment is obtained, such judgment shall include interest on the Assessments as above provided and a reasonable attorney's fee to be fixed by the Court, together with the costs of the action, and the Association shall be entitled to recover reasonable attorney's fees in connection with any appeal of such action.

3.7 Removal of Property. After the Association successfully performs a foreclosure on the unit, if the unit Owner does not remove personal property from the foreclosed premises, such property will be deemed forfeited to the Association and the Association may authorize removal and may sell or donate such forfeited property after ten (10) days written notice by certified mail addressed to the unit Owner at the last known address or at such address on record as provided to the Association by the unit Owner. Such remedy shall be in addition to all other remedies available to the Association under applicable laws, Rules and Regulations including the right to compel removal of the property and right to impose any and all fines.

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

- 8 -

3.8 Priority of Liens. The Association's lien for unpaid Assessments shall be subordinate and inferior to the lien of a recorded first mortgage, but only to the extent required by the Homeowners' Association Act, as amended from time to time, unless the Association's Claim of Lien was recorded before the mortgage. The Association's lien shall be superior to, and take priority over, any other mortgage or lien regardless of when the mortgage or lien was recorded, except as otherwise expressly provided by the Homeowners' Association Act, as amended from time to time. The above subordination shall in no way extinguish the liability of an institutional first mortgagee for any monetary obligations owed to the Association. Any lease of a parcel shall be subordinate and inferior to the lien of the Association, regardless of when the lease was executed.

3.9 Application of Payments; Failure to Pay; Interest. Assessments, charges, and installments thereon paid on or before ten (10) days after the date due shall not bear interest, but all sums not so paid shall bear interest at the highest rate allowed by law, calculated from the date due until paid. The Association may also impose an administrative fee and a late payment fee (in addition to interest). Assessments, charges and installments thereon shall become due, and the parcel Owner shall become liable for said Assessments or installments, on the date established in the Bylaws or otherwise set by the Board of Directors for payment. All payments on account shall be applied first to interest, administrative fees, late payment fees, court costs and attorney fees, and then to delinquent charges or Assessments. The Association may refuse to accept a partial payment which bears a restrictive endorsement and such will be the equivalent of no payment. No payment by check is deemed received until the check has cleared. However, when the check clears, the payment shall be credited as of the date the Association received the check. All payments must be made in United States Funds and paid through banks or financial institutions located within the United States.

3.10 Advances. The Association shall have the power, right and authority to advance on behalf of a defaulted Owner funds to accomplish the needs of the Association. The amount or amounts of money so advanced, including attorney's fees and expenses which might have been reasonably incurred because of or in connection with such advance, including costs and expenses of the Association if it must borrow to pay expenses because of the Owner, together with interest at the highest rate allowable by law, may thereupon be collected or enforced by the Association and such advance or loan by the Association shall not waive the default. Such amounts incurred by the Association are collectible from the Owner and are secured by the lien on the parcel.

3.11 Acceleration. If any Special Assessment or installment of a regular Assessment as to a parcel becomes more than thirty (30) days past due, and a Claim of Lien is recorded, the Association shall have the right to accelerate the due date of the entire unpaid balance of the residential parcel's Assessments for that fiscal year. The due date for all accelerated amounts shall be the date the Claim of Lien was recorded in the public records. The Association's Claim of Lien shall secure payment of the entire accelerated obligation, together with interest on the entire balance, attorney fees and costs as provided by law; and said Claim of Lien shall not be satisfied or released until all sums secured by it have been paid. The right to accelerate shall be exercised by sending to the delinquent Owner a notice of the acceleration, which notice shall be sent by certified or registered mail to the Owner's last known address, and shall be deemed given upon mailing of the notice, postpaid.

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

If a unit Owner fails to pay in full all Assessments due under a lien and said default shall continue into a new fiscal year, the Association shall have the right to accelerate the due date of the entire balance of the residential parcel's Assessments for that fiscal year as well. The due date for all accelerated Assessments for that fiscal year shall be the first day of that fiscal year. The right to accelerate a new fiscal year's Assessments shall be exercised by sending to the delinquent Owner a notice of the acceleration, which notice shall be sent by certified or registered mail to the Owner's last known address, and shall be deemed given upon mailing of the notice, postpaid.

3.12 Certificate as to Assessments. Within fifteen (15) days after request by a parcel Owner or his designee or mortgagee or its designee, the Association shall provide a certificate (sometimes referred to as an "estoppel letter") stating whether all Assessments and other monies owed to the Association by the parcel Owner with respect to the parcel have been paid. Any person other than the parcel Owner who relies upon such certificate shall be protected thereby. An association may charge a fee for the preparation of such certificate, and the amount of such fee must be stated on the certificate.

3.13 First Mortgage Foreclosure. If the mortgagee of a first mortgage of record acquires title to a parcel as a result of foreclosure of the mortgage, or as the result of a deed given in lieu of foreclosure, the first mortgagee shall be liable for the share of common expenses or Assessments attributable to the parcel, which came due prior to the mortgagee's acquisition of title, to the fullest extent provided by the Homeowners' Association Act, as the same may be amended from time to time. Any unpaid share of common expenses for which such acquirer is exempt from liability becomes a common expense collectible from all Unit Owners. No acquirer of title to a parcel by foreclosure, or by a deed in lieu of foreclosure, may be excused from the payment of any Assessments coming due during the period of such ownership.

4. EASEMENTS.

4.1 Appurtenant Enjoyment Easements. The Owner of each parcel, their guests, lessees and invitees, shall have as an appurtenance to their parcels a perpetual nonexclusive easement for ingress and egress over, across and through the common areas, for the use and enjoyment of all recreational facilities and common areas, such use and enjoyment to be shared in common with the other Owners of parcels, their guests, lessees and invitees, subject to the provisions of this Declaration. From time to time the common areas, or any portion thereof, is opened and put into use for the enjoyment of Owners, tenants, guests and invitees, Association shall be and remain wholly free and clear of any and all liability to, or claims by, all Owners, and all persons and entities, of whatever kind or character, whether sounding in contract or tort, deriving from the occurrence of any injury or damage to any person or property on, or in respect of the use and operation of, the common areas or any of its improvements, fixtures, and facilities; inasmuch as the control, operation, management, use and enjoyment, of the common elements and Association property shall be within, under, and subject to the Association. In this respect, it shall be the affirmative duty and responsibility of each Owner and user of the common areas and its facilities to continuously inspect the same for any defects or perils or other unsafe conditions or circumstances, prior to and during such use or enjoyment thereof; and all users of, and visitors to, the common elements and Association property and their improvements and facilities shall use, enjoy, and visit, the same at their own risk and peril.

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

4.2 Interior Roadway Easements. The interior roadway system of Kings Lake is made up of County roads which are open to the public. The roadways are subject to the rules and regulations as the Association imposes; however, each Owner of a parcel shall have an easement for ingress and egress over said roadway system. The Board of Directors shall have the right to establish parking regulations and to enforce such regulation by all means lawful for such enforcement on drives and roadways.

4.3 Utility Easements. A perpetual easement shall exist upon, over, under and across Kings Lake for the purpose of maintaining, installing, repairing, altering and operating sewer lines, water lines, waterworks, sewer works, force mains, lift stations, water mains, sewer mains, water distribution systems, sewage disposal systems, effluent disposal systems, pipes, valves, gates, pipelines, cable television and all machinery and apparatus appurtenant thereto as may be necessary for the installation and maintenance of utilities servicing all Owners of parcels and servicing the common areas, all such easements to be of a size, width and location so as to minimize and not unreasonably interfere with the use of any improvements which are now, or will be, located upon said property. The Association, through its Board of Directors, has the authority to grant additional such easements, and to modify, move or vacate such existing easements as may be necessary to efficiently and effectively provide utility and other services to the parcels and the common elements and common areas.

4.4 Subordination. Notwithstanding any of the foregoing to the contrary, it is understood that these covenants and restrictions are subordinate, and will be subordinate without the necessity of any other instrument, to any existing easement covering the basic water, sewer and drainage systems installed in the common areas, and any existing easement or easements to any public or quasi-public utility for the installation and maintenance of service lines in the common areas.

4.5 Extent of Easements. The rights and easements of enjoyment created hereby shall be subject to the following:

(A) the right of the Association, in accordance with its Bylaws, to borrow money for the purpose of improving and/or maintaining the common areas and providing the services authorized herein, and, in aid thereof, to mortgage said properties;

(B) the right of the Association to impose rules and regulations governing the use of the common areas and Association property as further provided in Section 7. of the Bylaws; and

(C) the right of the Association to a non-exclusive easement over, across and through each parcel as necessary to meet the Association's maintenance responsibilities.

(D) the right of the Association to levy Assessments on lots and units to enable the Association to pay the costs of operating and maintaining the Common Properties and other costs of the Association, and

(E) the right of the Association, as provided in its Articles and Bylaws, to suspend the enjoyment rights of any Member for any period during which any Assessment remains unpaid, or for a period

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

- 11 -

that may be determined by the Board of Directors for any violation of this Declaration, the Association's Articles, Bylaws or published rules and regulations; and

(F) the right of the Association to dedicate or transfer all of any part of the Common Properties to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed by the Members; provided that no such dedication or transfer, determination as to purposes or as to the conditions hereof, shall be effective unless an instrument signed by the appropriate officers of the Association certifying that at a Special or Regular Meeting of Members called for such purpose, and written notice was sent to each Member, the approval of at least seventy-five percent (75%) of the Members present, either in person or by proxy, was obtained, agreeing to such dedication or transfer;

(G) the right of the Association to grant exclusive easements and rights-of-way over certain parts of the Common Properties to Members of the Association when the Association deems it necessary; and

(H) the right of the Association to provide, restrict or limit access across the Common Areas as the Board of Directors deems necessary and proper.

4.6 Encroachment Easement. Any Owner of a parcel in the Properties which parcel contains a structure which encroaches upon another parcel, or the common areas, shall have a valid easement for the encroachment and maintenance of same, as long as it stands and exists.

5. MAINTENANCE.

5.1 Maintenance and Alteration of Parcels and Residences. Each Owner of a parcel shall, at his sole cost and expense, maintain and repair all parts of the Residence and structuring located on his parcel (including but not limited to all fixtures, equipment, appliances, patios, pools, driveways and walkways). Such improvements and structuring shall be maintained in a safe, clean, orderly and attractive condition.

Such responsibilities of the Home Owner shall include, but not be limited to the following:

(A) Maintenance, repair or replacement of the driveways, walkways, all screens, pool enclosures, lanai decks, fences, exterior of the Residence and Roof, windows, all gutters, soffits, downspouts, and exterior structures.

(B) Repair or replacement of all improvements and structures on the Home, including without limitation, repair and replacement of any portion of the irrigation systems on the Owner's Lot. Irrigation systems shall be operated when needed and in accordance with the Collier County Water Conservation Ordinance for Landscape Irrigation.

(C) Replacement or removal of dead, or unsightly landscape, grass or sodded areas, lawn, trees and plantings (including all shrubs and bushes), regardless of the cause for replacement.

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

- 12 -

- (D) Any maintenance, repair or replacement responsibility that is not specifically designated in the Declaration or subdivision plat as being the responsibility of the Association.
- (E) Maintenance, repair or replacements of approved Association standard mailboxes.
- (F) Maintenance, repair or replacements of the lights on the mailboxes.
- (G) Mowing of lawns. All lawns must be maintained in such a way to be no higher than three (3) inches in height. Lawns shall be maintained in accordance with Section 7.34 of the Declaration.
- (H) Maintenance, repairs or replacements of any improvements on the Home that are necessary due to drainage or water retention issues.
- (I) Every roof in Kings Lake must be cleaned as needed, at the sole discretion of the Board, to prevent the accumulation of mold or dirt, as determined by the Board. The Owner, if requested, must provide the Association written documentation that the Owner's roof has been cleaned.
- (J) The maintenance, repair and replacement of all outdoor lighting.
- (K) Damage caused by wildlife, including birds, keeping the same in a condition comparable to their condition at the time of their initial construction, except for ordinary wear and tear.
- (L) No Owner shall materially alter, or make any substantial additions to his parcel or to the exterior of his Residence without the prior written approval of the Association, as further provided in Section 6. Such additions and alterations shall include, but not be limited to, landscaping, swimming pools, decks, awnings, hurricane protection and related equipment.

Each Owner is prohibited from improving, modifying or maintaining any common area or from performing any maintenance duties that are the responsibility of the Association.

5.2 Association Maintenance. The Association shall be responsible for the maintenance, repair, replacement and operation of all Common Areas, including, but not limited to, water retention and water management areas (excluding only those areas maintained by Neighborhood Associations), landscaping, trees, plantings, lawns, flowers, water management facilities, community irrigation systems and pumps, footpaths, common driveways, parking areas, lighting, tennis court, utility installations located on parcels but serving more than one parcel, fences, and privacy walls. The Association shall also maintain all grassed or sodded areas, lawns, landscaping, trees and vegetation located on Common Areas, in accordance with the rules and regulation and standards adopted by the Association from time to time. The cost of Association maintenance shall be a common expense.

5.3 Enforcement of Maintenance. If the Owner of a parcel fails to maintain his parcel and/or Residence as required above, the Association shall have the right to institute legal proceedings to enforce compliance, or may take any and all other steps necessary to remedy such violation, including but not limited to entering the Parcel, with or without consent of the Owner. The Association may repair, replace or

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

- 13 -

maintain any item which constitutes a hazard to other property or residents, prevents the Association from fulfilling its maintenance responsibilities, or which has a materially adverse effect on the appearance of the Property. Any expenses so incurred by the Association shall be billed directly to the Owner of the parcel to which such services are provided, and shall be a Charge against the Parcel, secured by a lien against the Parcel as provided in Section 3. above.

5.4 Negligence; Damage Caused by Condition in Parcel. Each Owner shall be liable for the expenses of any maintenance, repair or replacement of Common Areas, other residential Parcels, or personal property made necessary by his act or negligence or by that of any member of his family or his guests, employees, agents, or lessees.

6. ARCHITECTURAL CONTROL TO PRESERVE THE BEAUTY, QUALITY AND VALUE OF THE COMMUNITY.

6.1 Improvements Requiring Approval. No building, structure, enclosure or other improvement shall be erected or altered, nor shall any grading, excavation, landscaping, change of exterior color, or other work which in any way alters the exterior appearance of any structure, parcel or common area, be made, unless and until the plans, specifications and location of the same shall have been submitted to, and approved in writing by the Architectural Review Committee (the "ARC") All plans and specifications shall be evaluated as to harmony of external design and location in relation to surrounding structures and topography.

6.2 The ARC. The architectural review and control functions of the Association shall be administered and performed by the ARC, which shall consist of at least three (3) members, who need not be members of the Association. All members of the ARC shall be appointed by and shall serve at the pleasure of the Board of Directors of the Association. A majority of the ARC shall constitute a quorum to transact business at any meeting of the ARC, and the action of a majority present at a meeting at which a quorum is present shall constitute the action of the ARC. Any vacancy occurring on the ARC because of death, resignation, or other termination of service of any member thereof, or in the absence of ARC members, shall be filled by the Board of Directors. The Board may act as the ARC, and in the absence of the Board's appointment of an ARC, the Board shall be the ARC. The Board of Directors in its sole and absolute discretion may remove members of the ARC at any time, with or without cause.

6.3 Powers and Duties. The ARC shall have the following powers and duties:

(A) To recommend, from time to time, to the Board of Directors of the Association the creation of or modification and/or amendments to the Architectural Planning Criteria. Any written Architectural Planning Criteria or modifications or amendments thereto shall be consistent with the provisions of this Declaration, and shall not be effective until adopted by a majority of the members of the Board of Directors of the Association at a meeting duly called and noticed and at which a quorum is present. Notice of the adoption, modification or amendment to the Architectural Planning Criteria, including a verbatim copy of such adoption, change or modification, shall be delivered to each member of the Association through placement of such change or modification on the Association's website, which shall be deemed to be delivery of such change or modification.

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

(B) To require submission to the ARC of two (2) complete sets of all plans and specifications for any improvement, structure of any kind or any other work which in any way alters the exterior appearance of any structure, parcel or common area, including without limitation, any building, fence, wall, swimming pool, tennis court, driveway, enclosure, sewer, drain, disposal system, decorative building, landscape devise, object or other improvement, the construction or placement of which is proposed upon the Property. The ARC may also require submission of samples of building materials proposed for use in any Residence, and may require such additional information as may reasonably be necessary to completely evaluate the proposed structure or improvement in accordance with this Declaration and the Architectural Planning Criteria.

(C) To approve or disapprove any improvement or structure of any kind, including, without limitation, any building, fence, wall, screen enclosure, drain or disposal system, or other improvement or change or modification thereto, the construction, erection, performance or placement of which is proposed upon the Property, and which is visible from the outside of any Residence. All decisions of the ARC shall be submitted in writing to the Board of Directors of the Association, and evidence thereof may be made by a certificate, in recordable form, executed under seal by the President or Vice President of the Association. Any party aggrieved by a decision of the ARC shall have the right to make a written request to the Board of Directors of the Association within fifteen (15) days of the decision, for a review thereof. The determination of the Board upon reviewing any such decision shall in all events be dispositive.

(D) To adopt a schedule of reasonable fees for processing requests for ARC approval of proposed improvements. Such fees, if any, shall be payable to the Association at the time that plans and specifications are submitted to the ARC.

(E) To adopt a procedure for inspecting approved changes during and after construction to insure conformity with approved plans.

(F) The members of the ARC shall receive no compensation for services rendered, other than reimbursement for expenses incurred by them in the performance of their duties hereunder. The ARC, however may request approval from the Board to engage the services of professionals for compensation for purposes of aiding the ARC in carrying out its functions.

6.4 Approvals or Disapprovals. All required approvals or disapprovals of the ARC must be in writing to be valid for purposes of this Declaration. Decisions of the ARC and any final decisions of the Board on appeal as provided for above shall be based on aesthetics, harmony, balance and compatibility of the proposed improvements with the then existing structures within the Community. Improvements or changes shall be performed by licensed contractors or Owner contractor in accordance with plans, where applicable. The ARC shall make its final decision based upon their sole discretion as to whether the improvements will be aesthetically pleasing, consistent with the architecture of the buildings in the Association, and similar to other such improvements previously allowed.

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

6.5 Endorsement of Plans. The approval of the ARC of plans or specifications submitted for approval, as herein specified, shall not be deemed to be a waiver by the Association of the right to object to any of the features or elements embodied in such plans or specifications if and when the same features and elements are embodied in any subsequent plans and specifications submitted for approval for use by others. The work to be performed shall be commenced within a reasonable time and once work has started, the project shall continue with adequate manpower, uninterrupted to conclusion within eighteen months with the exception of materials shortage, inclement weather or acts of God.

6.6 Construction to be in Conformance with Plans. After such plans and specifications and other data submitted have been approved by the ARC, no building, outbuilding, garage, fence, wall, retaining wall, or other Improvement or Structure of any kind shall be erected, constructed, placed, altered or maintained upon any Parcel unless the same shall be erected, constructed or altered in conformity with the plans and specifications and Parcel plans approved by the ARC.

6.7 Right of Entry. Any member of the ARC may at any reasonable time enter and inspect any property subject to the jurisdiction of the ARC and any building or structure reasonably believed by such member to be a violation of the covenants and restrictions set forth herein.

6.8 Local Building Code. This Section 6. shall not be deemed to excuse any Owner from compliance with local building and construction codes, ordinances and/or regulations and all improvements constructed shall conform to the requirements of such laws, codes, ordinances and regulations, nor shall the Association's approval create any presumption that Owner's plans comply with applicable laws, codes, ordinances and regulations, nor that the work will serve its purpose as intended by Owner. The Owner is required and responsible for obtaining any and all approvals and permits required by such laws, codes, ordinances and regulations.

6.9 Restoration in Event of Damage or Destruction. In the event any Improvement on a parcel is damaged or destroyed, in whole or in part, the parcel Owner or appropriate association shall take action deemed necessary by the Association to correct any unsightly or dangerous condition resulting from such damage or destruction. The parcel Owner shall take corrective action to either restore or remove the condition. The work shall be completed within six-months after the date of the damage or destruction, which may be extended by the Association for good cause shown. The Owner shall undertake such corrective action as soon, as is practicable in order to avoid an unsightly or dangerous condition. In the event the Owner fails or refuses to take the required corrective action, as deemed appropriate by the Association, or in the aftermath of a catastrophic event, such as hurricane, the Association shall have the right, but not the obligation, to go upon the parcel and remove or correct the damaged or destroyed property, which shall be accomplished at the sole cost and expense of the Owner of the property, in which event, the Association shall have the right to place a lien on the parcel for the full amount of the corrective work, together with attorneys' fees and costs, if any, which lien shall be enforceable in the same manner as other liens created this Declaration.

6.10 Fill and Grade. No fill shall be added to or removed from any parcel nor shall the Owner of any parcel do anything to change or interfere with the drainage of storm water; no change shall be made with

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

- 16 -

respect to the original grade and contour of swales unless approved in writing by the ARC. The approval of South Florida Water Management District may also be required.

7. USE RESTRICTIONS. The following rules and standards shall apply to Kings Lake and shall be enforced by the Association:

7.1 Residences. Each Residence shall be occupied by only one family at any time. Each Residence shall be used as a home and for no other purpose. No business or commercial activity shall be conducted in or from any Residence. This restriction shall not be construed to prohibit any Owner from keeping his personal, business or professional records in his Residence, or from handling his personal, business or professional telephone calls, computer communication, virtual meetings or written correspondence in and from his Residence, if such uses do not involve customers, clients, or employees coming onto the property, excessive deliveries to the Lot, the posting of any signage in the Community, the storage of equipment, products, or materials in the Community. Such uses are expressly declared customarily incident to residential use. Parcels may not be used for commercial or business purposes, including, without limitation, caring for children or adults or any use that requires an occupational license.

7.2 Occupancy in Absence of Owner. If the Owner and his family who permanently reside with him are absent from the unit and are not occupying it, and the unit has not been leased, the Owner may permit his unit to be occupied by his guests only in accordance with the following:

(A) Any one (1) person who is the parent, child, adult grandchild or sibling of the unit Owner or of the unit Owner's spouse or non-spouse companion, if any, may occupy the unit in the absence of the Owner for a period not to exceed thirty (30) days, without prior written approval of the Board. That person's spouse or non-spouse companion and children if any may accompany him. The total number of occasions for occupancy by all guests combined under this paragraph shall be limited to four (4) in any one (1) calendar year, with a maximum aggregate total of sixty (60) days, without prior written approval of the Board.

(B) House guests not included within 7.2(A) are permitted for only one (1) family occupancy in the unit Owner's absence and then only with the proviso that the family and its guests consist of no more than four (4) persons. Such guests may stay only one (1) week and the total number of occasions for this type of guest occupancy in any unit shall be limited to two (2) in each calendar year, without prior written approval of the Board.

(C) An Owner desiring guest occupancy under (A) or (B) above shall give notice to the Association as provided in the rules and regulations.

7.3 Exceptions. Upon prior written application by the unit Owner, the Board of Directors may make such limited exceptions to the foregoing restrictions as may be deemed appropriate in the discretion of the Board, for the sole purpose of avoiding undue hardship or inequity. The making of one (1) exception shall not be construed as a precedent for later exceptions.

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

- 17 -

7.4 Occupancy When Owner is Present. There is no restriction on the number of guests, whether related or unrelated to the Owner, who may occupy the parcel together with the Owner, so long as the total number within the Residence does not exceed the total occupancy limit permitted by County Code. However, once a guest, whether related or unrelated to the Owner, has been occupying a unit together with the Owner for a period of more than thirty (30) days, such guest must apply for and obtain Association approval in the same manner as a prospective lessee is required to obtain Association approval pursuant to the leasing provisions contained in Section 10. hereof. If the guest does not obtain Association approval within ten (10) days, the guest must then vacate the unit until approval is obtained.

The Board may promulgate such rules, policies, and procedures as are necessary to implement this Section. In the event that Owners are suspected of circumventing rental restrictions by receiving consideration for occupancies which are held out as guest occupancies, the Association may require proposed guest occupants to submit proof of familial relationship, an affidavit as to absence of payment for the right to occupy the premises, or other proof that the leasing provisions of Section 10. are not being violated.

7.5 Minors. All occupants under eighteen (18) years of age shall be closely supervised at all times by an adult to insure that they do not become a source of unreasonable annoyance to other residents.

7.6 Pets. Dogs and cats and other common household pets, provided they are not kept, bred or maintained for any commercial purpose, may be kept upon the property. No other animals, livestock, poultry of any kind shall be kept, raised or bred on any part of Kings Lake. All pets shall be leashed or carried by the pet Owner whenever outside the Residence. All pet Owners shall be held strictly responsible to immediately collect and properly dispose of the wastes and litter of his or her pets. The ability to keep such a pet is a privilege, not a right. If any pet becomes a source of unreasonable annoyance or a physical threat to other residents, the Board may require its permanent removal from Kings Lake. Any Owner or other resident who keeps or maintains any pet shall, in exchange for and in consideration of the privilege to keep the pet, hereby indemnify and hold the Association, its officers, directors and employees, and each Owner free and harmless from any loss, claim or liability of any kind or character of whatever nature arising from or related to the keeping or maintaining of such pet in the Association.

7.7 Unreasonable Amount of Annoyance or Nuisances. No Owner shall use his parcel and Residence, or permit it to be used, in any manner which constitutes or causes an unreasonable amount of annoyance or nuisance to the occupant of another parcel and Residence, or which would not be consistent with the maintenance of the highest standards for a first class residential community nor permit the premises to be used in a disorderly or unlawful way. The use of each parcel and Residence shall be consistent with existing laws and the governing documents, and occupants shall at all times conduct themselves in a peaceful and orderly manner. No solicitation will be allowed at any time within the community. Extreme care shall be exercised to minimize noises so as not to unreasonably disturb other persons. No Owner, tenant or guest may disturb any other person on the property with the use of profane, obscene, threatening or abusive comments or conduct.

7.8 Dangerous Materials. No Owner shall store, keep or dispose of any flammable, combustible, explosive, hazardous or toxic fluids, chemicals or substances except those sold and required for normal

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

- 18 -

household use. Notwithstanding this prohibition, the ARC may develop guidelines which permit limited amounts of such materials which are customary and appropriate for household use.

7.9 Signs. No sign or emblem of any kind may be kept or placed upon any unit or mounted, painted, or attached to any unit or other improvement or anywhere within the Community, so as to be visible from public view or mounted on any vehicle or trailer parked or driven within the Community or carried by any person or by any other means displayed within the Community except for the following:

(A) **For Sale Signs.** An Owner may erect one (1) sign of a size and shape and located in an area approved by the Architectural Review Committee (ARC). Any such sign must be properly maintained during the time that the property is for sale.

(B) **Political Signs.** Political signs may be erected in a location approved by the ARC, advocating the election of one or more political candidates or the sponsorship of a political party, issue or proposal provided that such signs shall not be erected more than ninety (90) days in advance of the election to which they pertain and are removed within seven (7) days after the election.

7.10 Flags and Flagpoles. No flags or banners, other than sports banners on the day of the game, will be permitted, other than a Flag permitted by Section 720.304, Florida Statutes, or other local, state or federal law, which must be displayed in a respectful manner and which is subject to reasonable standards for size, placement and safety as may be adopted by the Board or the ARC, as applicable. The Association is exempt from this Section. The installation and display of flagpoles and flags shall be subject to regulation by the ARC, but no Owner shall be prevented from displaying one (1) portable, removable official United States flag. The permitted flags shall not exceed 4.5' x 6'. Notwithstanding the foregoing, no one shall be permitted to display the United States flag in a manner that violates: (i) Federal law or any rule or custom as to the proper display or use of the United States flag; or (ii) any reasonable restriction pertaining to the time, place and manner of displaying the flag. The restriction must be necessary to protect a substantial interest of the Association.

7.11 Garage Sales. No garage sales or other similar commercial activities will be permitted to be held on the Common Areas.

7.12 Single Family Parcel Structures. Other than one single family Residence, pool, deck and related equipment, no structure, trailer, house trailer, tent, shack, garage, barn or other outbuilding shall be used or placed on any parcel at any time either temporarily or permanently.

7.13 Prohibited Vehicles and Parking Restrictions and Boats. Except for service vehicles temporarily present on business, no trucks, motor homes, panel vans (vans without windows where passengers are seated), recreational vehicles, off-road vehicles, motorcycles, trailers, campers, boats or boat trailers, jet-skis, jet-ski trailers, swamp buggies, buses, tractors, commercial vehicles, semi-trucks or vehicles with a tire size more than thirty-three (33) inches high shall be parked, stored or left standing on any part of the Property, except within an enclosed garage. No motor vehicle shall be parked anywhere on any part of the Property other than paved areas intended for use as parking spaces. There shall be no parking of motor vehicles on any grassed or landscaped area of a Lot.

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

- 19 -

As used herein the term “commercial vehicle” means trucks and other vehicles which are used for business purposes including but not limited to, any vehicle which displays a company name or logo on its exterior, is adorned with signs, flags, advertisements or any type of lettering or graphic of a commercial nature or any vehicle with racks, ladders, staging, or other equipment or attachments of a commercial nature, including supplies used for commercial purposes, on or visible in the vehicle. Additionally, and notwithstanding the foregoing, any vehicle, by whatever name designated, which is used for transporting goods, equipment or paying customers shall be considered a commercial vehicle regardless of any definition found elsewhere to the contrary.

No inoperable or unlicensed vehicles shall remain within any part of the Property for more than seven (7) days, and no repair of vehicles (such as mechanical repairs, draining of coolants, changing oil or other similar operations) shall be made within any part of the Property other than emergency repairs (such as changing tires). Any vehicle which is untagged, wrecked, junked, partially dismantled, in inoperative or abandoned condition, whether attended or not, is not permitted on any part of the Property. Any boats or other vehicles, that are of such size as will not permit the garage door to be closed with the boat or vehicle inside the garage may not be kept on the property. The parking of any vehicle upon any other part of the property is prohibited.

Subject to applicable laws and ordinances, any vehicle parked in violation of these or other restrictions contained herein or in the rules and regulations promulgated by the Board may be towed by the Association at the sole expense of the Owner of such vehicle if such vehicle remains in violation for a period of seven (7) days from the time a notice of violation is placed on the vehicle. The Association shall not be liable to the Owner of such vehicle for trespass, conversion or otherwise, nor guilty of any criminal act, by reason of such towing and once the notice is posted, neither its removal, nor failure of the Owner to receive it for any other reason, shall be grounds for relief of any kind. For purposes of this paragraph, a vehicle shall also mean boats, campers, mobile homes, motor homes and trailers. An affidavit of the person posting the aforesaid notice stating that it was properly posted shall be conclusive evidence of proper posting. The doors of all garages located on units within the properties shall be closed at all times except when the garage is being entered or exited or when the garage is being used for an activity requiring the garage door to be open.

Any boat, camper or motor home, may be parked on the driveway of any Lot during the period that the boat, camper or motor home is being loaded or unloaded. However, the boat, camper or motor home must be removed from the driveway or stored in the garage upon the completion of the loading or unloading process. Parking along roadways and streets is prohibited, except for temporary parking and/or overnight parking for an Owner’s guests.

7.14 Trees. No tree or shrub, the trunk of which exceeds six inches in caliper fifteen (15) feet in height shall be cut down or otherwise destroyed without the prior expressed written consent of the ARC.

7.15 Artificial Vegetation. No artificial grass, plants, or other artificial vegetation shall be placed or maintained upon the exterior portion of any Lot.

7.16 Storage Tanks and Propane Tanks. No above ground storage tanks, or propane tanks for generators, including but not limited to, those used for storage of water, gasoline, oil, or other liquid or gas

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

- 20 -

shall be permitted on the Lot outside of the building, unless such storage tanks have been properly buried and its installation and location have been approved by the ARC.

7.17 Air Conditioning Units and Generators. No window or wall air conditioning units shall be permitted on any Lot. Compressors and fans for central air conditioning or heat pump systems, as well as permanent generators, which are located outside the exterior of a building shall be adequately screened to prevent their being viewed from any street or other Lot, and their screening, installation and location must be approved by the ARC.

7.18 Garages. All garages on a single family lots shall be attached to the Residence which they are designed to serve and shall be approved by the ARC. No garage shall be enclosed or converted into a living or habitable area. Garage doors shall be required to remain in place at all times, and no construction or conversion shall change the interior or exterior of any garage to interfere with the use of it as a storage place for automobiles. The doors of all garages located on units within the properties shall be closed at all times except when the garage is being entered or exited. No carports shall be permitted to be constructed on any Lot.

7.19 Easements. Owners may not grant easements on their Lots without written consent of the Association.

7.20 Roofs. No roof for a building on a Single Family Lot, except porch or garage roofs, shall be built with a center pitch less than five (5) feet high to twelve (12) feet horizontal. Any replacement roof must be replaced with a roof approved by the ARC. New or replacement single family roofs shall be constructed of the following: (A) Asphalt or Shake Shingle; (B) Cement Tile (C) Metal Roofing or (D) such other roofing material as has been approved by the ARC or Board of Directors.

7.21 Square Footage. All single family dwelling units shall have a minimum of 1,500 square feet under air conditioning not including a two (2) car garage.

7.22 Buffers. No improvements, landscaping or other additions are permitted within ~~any the~~ Buffer area without the prior written consent of the ARC and appropriate governmental agencies, excepting any improvements, landscaping or other additions made or installed by the Association, such as, but not limited to, signs, walkways, walls and light poles.

7.23 Slopes and Trees. No Owner may engage in any activity which will change the slope or drainage of a Lot. No trees are permitted to be removed from the Property without the prior written consent of the Board and/or the ARC. Owners shall be responsible for any damage caused to the Common Areas or neighboring Lots due to storm water or surface water management which is caused by any existing condition on the Lot.

7.24 Lake. Boats with power motors of any kind are prohibited. Non-motorized boats or canoes are permitted on the lake subject to the approval of the Association. Docks are prohibited.

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

- 21 -

7.25 Fences, Hedges and Walls. No fence, wall or other dividing instrumentality shall be constructed or maintained on any Lot unless approved by the ARC. No boundary line wall, fence, hedge or shrubbery shall be permitted with a height of more than eight (8) feet from the existing ground level at or along such boundary line. Fences and other structural screening must be visually attractive, in keeping with the architectural character of the residential cluster in which they are to be located.

7.26 Garbage and Refuse Disposal. No lot shall be used as a dumping ground for rubbish, trash, garbage, or other waste matter. No incinerator or any outdoor burning shall be permitted. Trash, garbage and other waste shall be kept only in sanitary containers which shall be kept in a clean and sanitary condition and screened from view from neighboring Residences and the interior roadways except when out for pick-up. Trash and recycle bins shall not be put on the curb, for pick-up, prior to 4:00 p.m. the night before the scheduled pick-up. All trash and recycle bins shall be removed by 7:00 p.m. in the evening of the scheduled pick up.

7.27 Exterior Lighting. Each Single Family Home or Villa shall have one (1) exterior lamp on the mail box. Each will have a photocell causing it to light at dark. These exterior lamps must have a minimum lumens measurement of at least 800 lumens. These exterior lamps shall only be of the same kind approved by the ARC. No spotlights, floodlights, or other outdoor high intensity lighting shall be placed or utilized upon any Lot which in any way will allow light to be reflected on any other Lot or the improvements thereon. Low intensity lighting which does not unreasonably disturb the Owners or other occupants of the Properties shall be allowed.

7.28 Mailbox. All mailboxes and their supporting structures shall be uniform and approved by the ARC.

7.29 Outdoor Equipment, Receptacles and Play Equipment. All receptacles and non-stationary play equipment must be removed and stored in the garage at night. All permanent play structures, such as jungle gyms, swing sets, playhouses, slides, play sets, or such other equipment, shall not be permitted to be constructed in the front yard of a Single Family Home or Villa, but must be constructed in the side or rear yard area.

7.30 Underground Utility Lines. All telephone, electric, water, sewer, television, fuel lines and pipes or other distributors must be underground from the Lot or Parcel line to the structure being served.

7.31 Drainage. Except to comply with the governmental regulation or control, no changes in the elevation of the lands shall be made which will interfere with the drainage or otherwise cause undue hardship to adjoining property.

7.32 Seasonal Holiday Decorations. Lights or decorations may be erected on the exterior front of the Units or on the interior of the Units, where they may be seen from the outside of the Unit, in commemoration or celebration of publicly observed holidays provided that such lights or decorations do not unreasonably disturb the peaceful enjoyment of adjacent Owners by illuminating bedrooms, creating noise or attracting sightseers. All lights and decorations that are not permanent fixtures of the front of the Unit, as part of the original construction, shall be removed within thirty (30) days after the holiday has ended. Christmas decorations or lights may not be displayed prior to November 15th of any year. Other holiday decorations

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

- 22 -

or lights may not be displayed more than two (2) weeks in advance of the holiday.

7.33 Clothes Drying. No towels, garments, rugs, etc. may be hung from windows, railings or other parts of the Residences. No clotheslines or drying yards shall be located so as to be visible from neighboring Residences or from the interior roadways within Kings Lake.

7.34 Lawn Care. No weeds, high grass, underbrush (other than indigenous growth), or other unsightly growths shall be permitted to grow or remain upon any part of the Lots and no refuse pile or unsightly objects shall be allowed to be placed or remain anywhere thereon. All lawns shall be mowed at reasonable intervals. If for any reason, an Owner permits such weeds, high grass, underbrush or other unsightly growths and fails to correct same after fifteen (15) days' notice by the Association, then the Association shall have the right to enter upon the premises and make such corrections and charge the Owner for the cost of the corrections. Said charge, until paid, shall be a lien against the Lot and Owner as a Personal Charge, and may be enforced in accordance with Section 3. of this Declaration.

Owners with Lots that abut the lakes shall maintain a six (6) foot chemical free zone from the edge of the lake bank into their Lot to ensure lake quality. No fertilizer or other chemicals shall be applied within six (6) feet of the lake bank. In addition to the six (6) foot chemical free zone, the Owner with a Lot that abuts a lake shall maintain a two (2) foot "no mow" zone from the edge of the lake.

All areas within a Lot not covered by structures, walkways or paved parking facilities, shall be maintained as a lawn or as a landscaped area to the pavement area of any abutting street or lake. Such lawns shall be irrigated with an underground irrigation system and properly watered to maintain the lawn. Except as otherwise provided by Florida Law, no stone, gravel or paving of any type shall be used as a lawn.

7.35 Landscaper's and Contractor's Hours. Except in the case of an emergency, landscapers and contractors shall only operate during the hours of 8:00 a.m. to 6:00 p.m., Monday through Friday, and on Saturday from 8:00 a.m. until 2:00 p.m. No landscapers nor contractors shall be permitted to work on Sunday.

7.36 Water Use from Lakes

The Lots that may use water from the lakes for irrigation purposes are as follows:

BLOCK H LOTS:

LOT 3, BLOCK H, KINGS LAKE UNIT NO. 1 - 2116 Evergreen Lake Ct.
LOT 4, BLOCK H, KINGS LAKE UNIT NO. 1 - 2124 Evergreen Lake Ct.
LOT 5, BLOCK H, KINGS LAKE UNIT NO. 1 - 2132 Evergreen Lake Ct.
LOT 6, BLOCK H, KINGS LAKE UNIT NO. 1 - 2140 Evergreen Lake Ct.
LOT 8, BLOCK H, KINGS LAKE UNIT NO. 1 - 2156 Kings Lake Blvd.
LOT 9, BLOCK H, KINGS LAKE UNIT NO. 1 - 2164 Kings Lake Blvd.
LOT 10, BLOCK H, KINGS LAKE UNIT NO. 1 - 2172 Kings Lake Blvd.
LOT 11, BLOCK H, KINGS LAKE UNIT NO. 1 - 2201 Royal Ln.

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

- 23 -

LOT 12, BLOCK H, KINGS LAKE UNIT NO. 1 - 2207 Royal Ln.

BLOCK I LOTS:

LOT 1, BLOCK I, KINGS LAKE UNIT NO. 2 - 2309 Elizabeth Ct.
LOT 3, BLOCK I, KINGS LAKE UNIT NO. 2 - 2254 Prince Ln.
LOT 4, BLOCK I, KINGS LAKE UNIT NO. 2 - 2248 Prince Ln.
LOT 5, BLOCK I, KINGS LAKE UNIT NO. 2 - 2242 Prince Ln.
LOT 6, BLOCK I, KINGS LAKE UNIT NO. 2 - 2236 Prince Ln.
LOT 7, BLOCK I, KINGS LAKE UNIT NO. 2 - 2230 Prince Ln.
LOT 9, BLOCK I, KINGS LAKE UNIT NO. 2 - 2218 Kings Lake Blvd.
LOT 10, BLOCK I, KINGS LAKE UNIT NO. 2 - 2212 Kings Lake Blvd.
LOT 11, BLOCK I, KINGS LAKE UNIT NO. 2 - 2206 Kings Lake Blvd.
LOT 13, BLOCK I, KINGS LAKE UNIT NO. 2 - 2206 Royal Ln.
LOT 14, BLOCK I, KINGS LAKE UNIT NO. 2 - 2212 Royal Ln.
LOT 15, BLOCK I, KINGS LAKE UNIT NO. 2 - 2218 Royal Ln.
LOT 17, BLOCK I, KINGS LAKE UNIT NO. 2 - 2230 Royal Ln.
LOT 18, BLOCK I, REPLAT OF PART OF KINGS LAKE - 2234 Royal Ln.

BLOCK J LOTS:

LOT 4, BLOCK J, KINGS LAKE UNIT NO. 2 - 2201 Kings Lake Blvd.
LOT 5, BLOCK J, KINGS LAKE UNIT NO. 2 - 2207 Kings Lake Blvd.

Other than those Lots provided above, no Lot or Owner may draw water directly from any of the lakes within Kings Lake.

7.37 Antennas and Flagpoles. Antennas and satellite dishes are prohibited, except that (a) antennas or satellite dishes designed to receive direct broadcast satellite service which are one (1) meter or less in diameter (b) antennas or satellite dishes designed to receive video programming services via multi-point distribution services which are one (1) meter or less in diameter; or (c) antennas or satellite dishes designed to receive television broadcast signals, (“Reception Device”) shall be permitted, provided that the Reception Device is located so as not to be visible from outside the Unit, or is located on the side or rear yard of the Parcel, subject to such other restrictions that are set forth in the Association Governing Documents and as determined by the ARC. The ARC may require that a Reception Device be painted or screened by landscaping in order to blend into the Lot or Unit and removed from view from the street and other Lots or Units. A flagpole shall not be used as an antenna.

7.38 Exterior Appearance and Construction. All windows, porches, balconies, and exteriors of all building on any Lot shall at all times be maintained in a neat and orderly manner. Exterior of all homes and other structures must be completed within one (1) year after construction is commenced, except where a written extension of time is granted by the ARC.

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

- 24 -

7.39 Portable on Demand Storage Devices. Portable on demand storage devices may only be stored on a Lot for a period of thirty (30) days. Any Owner desiring to use a portable on demand storage device for a period of time longer than thirty (30) days must obtain the written approval of the Board of Directors.

7.40 Water Restrictions. The Water Use Permit, authorized by the South Florida Water Management District, provides that all parcel Owners within the areas covered by the permit shall abide by all water use restrictions, put in place by the district or any other governmental agency empowered with such authority.

7.41 Drones. The operation, flying or use of a drone, as a drone is defined in Section 934.50 (2)(a), Fla. Stat., as may be amended from time to time, on, over or through the Community is prohibited without the operator or Owner of such drone having first obtained the express, written approval of the Board of Directors. If such approval is granted, the use of the drone shall be operated in accordance with the provisions of Section 934.50, Fla. Stat., as may be amended from time to time, and the operator may not use a drone equipped with an imaging device to record an image of privately owned real property or of the Owner, tenant, occupant, invitee, guest or licensee of such property with the intent to conduct surveillance on the individual or property captured in the image in violation of such person's reasonable expectation of privacy without his or her written consent.

The operator or user of such drone must comply with all applicable federal aviation requirements and rules and regulations established by the Federal Aviation Administration or any other governmental authority. The Board of Directors may revoke or rescind any approval of the use of a drone on Community Property previously given, if, in the sole discretion of the Board of Directors, it appears that such use has had unanticipated, adverse effects on the Community. The owner and operator of a drone used on, over or through the Community, shall hold the Association, its officers, and directors harmless from any liability, loss or damage arising from the use of such drone on, over or through the Community. Each unit Owner shall be liable for the expenses of any maintenance, repair or replacement of common elements, other units, or personal property made necessary by his intentional or negligent actions or by that of any member of his family or his guests, employees, agents, or lessees in the use of drones on, over or through the Community.

7.42 Laws and Ordinances. Every Owner and occupant of every unit, their guests and invitees shall comply with all laws, statutes, ordinances and rules of federal, state and county governments applicable to the properties and any violation thereof may be considered a violation of this Declaration; provided the Board shall have no obligation to take action to enforce such laws, statutes, ordinances and rules.

7.43 Remotely Controlled Vehicles or Water Craft. The operation, control or use of a remotely controlled vehicle or water craft on the Community Property is strictly prohibited. The Owner and operator of a remotely controlled vehicle or water craft used on, over or through the Community Property, in violation of this provision, shall hold the Association, its officers, and directors harmless from any liability, loss or damage arising from the use of such remotely controlled vehicle or water craft on, over or through the Community Property. Each unit Owner shall be liable for the expenses of any maintenance, repair or replacement of Common Areas, other units, or personal property made necessary by his intentional or negligent actions in using such remotely controlled vehicle or water craft or by that of any member of his family or his guests, employees, agents, or lessees in the use of remotely controlled vehicle or water craft on, over or through the Community Property.

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

- 25 -

8. INSURANCE. In order to adequately protect the Association and its members, insurance shall be carried and kept in force at all times in accordance with the following provisions:

8.1 Association; Required Coverage. The Association shall maintain adequate property insurance covering all of the common area buildings, the common areas and all Association property. The Association shall also provide adequate general liability insurance. The amounts of coverage shall be determined annually by the Board of Directors. The insurance carried by the Association shall afford at least the following protection:

(A) Property. Loss or damage by fire, extended coverage (including windstorm), vandalism and malicious mischief, and other hazards covered by the standard “All Risk” property contract.

(B) Liability. Premises and operations liability for bodily injury and property damage in such limits of protection and with such coverage as are determined by the Board of Directors, with cross liability endorsement to cover liabilities of the unit Owners as a group to a parcel Owner.

(C) Automobile. Automobile liability for bodily injury and property damage for all owned and non-owned motor vehicles when used for Association business, in such limits of protection and with such coverage as may be determined by the Board of Directors.

(D) Compensation. The Association may maintain Workers' Compensation insurance and shall if required by law.

(E) Statutory Fidelity Bonding or Insurance. For all persons who control or disburse funds of the Association as required by the Homeowners' Association Act.

(F) Directors and Officers Liability Insurance. To the extent obtainable at reasonable cost, in the sole and absolute discretion of the Board, appropriate officers' and directors' personal liability insurance shall be obtained by the Association to protect the officers, directors and committee members from personal liability in relation to their duties and responsibilities on behalf of the Association.

8.2 Duty to Insure. Each parcel Owner is responsible for insuring the real and personal property within his own parcel and Residence. Each Owner must recognize that he bears financial responsibility for any damage to his property or liability to others that would otherwise be covered by such insurance liability including all risk, flood, liability, etc.

8.3 Duty to Reconstruct. Except as otherwise approved by the Board of Directors, if any Residence or other improvements located on any residential parcel is destroyed or damaged as a result of fire, windstorm, flood, tornado, hurricane or other casualty, the Owner of such improvements shall cause repair or replacement to be commenced within ninety (90) days from the date that such damage or destruction occurred, and to complete the repair or replacement within twelve (12) months thereafter. The Owner shall be entitled to an extension of the above time deadlines for good cause shown and in order to avoid undue hardship, upon the written approval of the Board. All such repairs or replacements must restore the

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

- 26 -

improvements to substantially their original character, design and condition, and shall utilize and conform with the original foundation and appearance of the original improvements.

8.4 Failure to Reconstruct. If the Owner of any Residence fails to commence or complete construction to repair or replace any damaged or destroyed improvements within the time periods provided for in Section 8.3 above, the Association shall give written notice to the Owner of default. If after thirty (30) days the Owner has not made satisfactory arrangements to meet its obligations, the Association shall be deemed to have been granted the right by the Owner, as such Owner's attorney-in-fact, to commence and/or complete the repairs sufficient to substantially restore the improvements to their original condition, according to the plans and specifications of the original improvements. If the Association exercises the rights afforded to it by this section, which shall be in the sole discretion of the Board of Directors, the Owner of the Residence shall be deemed to have assigned to the Association any right he may have to insurance proceeds that may be available because of the damage or destruction of the improvements. The Association shall have the right to recover from the Owner any costs not paid by insurance, and shall have a lien on the parcel and Residence to secure payment.

8.5 Association Insurance; Duty and Authority to Obtain. The Board of Directors shall obtain and keep in force the insurance coverage which it is required to carry by law and under this Declaration, and may obtain and keep in force any or all additional insurance coverage as it deems necessary. The name of the insured shall be the Association and the Owners without naming them, and their mortgagees, as their interests shall appear. To the extent permitted by law, the Association may self-insure.

8.6 Optional Coverage. The Association may purchase and carry other such insurance coverage as the Board of Directors may determine to be in the best interest of the Association and residential unit Owners.

8.7 Description of Coverages. A detailed summary of the coverage included in the policies, and copies of the policies, shall be available for inspection by residential unit Owners or their authorized representatives upon request.

8.8 Waiver of Subrogation. If available and where applicable, the Board of Directors shall endeavor to obtain insurance policies which provide that the insurer waives its right to subrogation as to any claim against the Association parcel Owners, or their respective servants, agents or guests, except for any claim based upon gross negligence evidencing reckless, willful or wanton disregard for life or property.

8.9 Insurance Proceeds. All insurance policies purchased by the Association shall be for the benefit of the Association, the Owners and their mortgagees as their interests may appear, and all proceeds shall be payable to the Association. The duty of the Association shall be to receive such proceeds as are paid, and to hold the same in trust, and disburse them for the purposes stated herein and for the benefit of the Owners and their respective mortgagees in the following shares:

(A) Common Areas. Proceeds on account of damage to common areas shall be held in as many undivided shares as there are Residences, the shares of each Owner being the same as his share in the common areas.

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

- 27 -

(B) Mortgagee. If a mortgagee endorsement has been issued as to a Residence, the shares of the mortgagee and the Owner shall be as their interests appear. In no event shall any mortgagee have the right to demand application of insurance proceeds to any mortgage or mortgages which it may hold against parcel or parcels, except to the extent that insurance proceeds exceed the actual cost of repair or restoration of the damaged building or buildings. Except as otherwise expressly provided, no mortgagee shall have any right to participate in determining whether improvements will be restored after casualty.

8.10 Distribution of Proceeds. Proceeds of insurance policies received by the Association shall be distributed to or for the benefit of the Owners in the following manner: The proceeds shall be paid to defray the costs of reconstruction or repair by the Association. Any proceeds remaining after defraying costs shall be distributed to the beneficial Owners in any manner provided by law.

8.11 Association as Agent. The Association is hereby irrevocably appointed as agent for each Residence Owner to adjust all claims arising under insurance policies purchased by the Association for damage or loss to the common areas.

8.12 Damage to Common Areas. Where insured loss or damage occurs to the common areas or Association property, it shall be mandatory for the Association to repair, restore and rebuild the damage caused by the loss, and the following procedures shall apply:

(A) The Board of Directors shall promptly obtain reliable and detailed estimates of the cost of repair and restoration, and shall negotiate and contract for repair and reconstruction.

(B) If the proceeds of insurance and available reserves are insufficient to pay for the cost of repair and reconstruction of the common areas, the Association shall promptly, upon determination of the deficiency, levy a Special Assessment against all parcel Owners for the deficiency. Such Special Assessments need not be approved by the parcel Owners. The Special Assessments shall be added to the funds available for repair and restoration of the property.

9. OWNERSHIP OF PARCELS.

9.1 Forms of Ownership:

(A) A parcel may be owned by one natural person.

(B) Co-ownership. Co-ownership of parcels is permitted. If there are co-Owners, the Board shall be entitled to require the Owners to designate one (1) natural person as “primary occupant.” The use of the parcel and Residence by other persons shall be as if the primary occupant were the only actual Owner. Any change in the primary occupant must be approved in advance by the Board of Directors. No more than one such change will be approved in any twelve (12) month period.

(C) Ownership by Corporations, Partnerships or Trusts. A parcel may be owned in trust, or by a corporation, partnership or other entity which is not a natural person. The intent of this provision is

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

- 28 -

to allow flexibility in estate, financial or tax planning, and not to create circumstances in which the parcel and Residence may be used as short-term transient accommodations for several individuals or families. A trustee, or corporation, partnership or other entity as a parcel Owner shall be required to designate one (1) natural person to be the "primary occupant." The use of the parcel and Residence by other persons shall be as if the primary occupant were the only actual Owner. Any change in the primary occupant must be approved in advance by the Board of Directors. No more than one such change will be approved in any twelve (12) month period.

(D) Designation of Primary Occupant. Within thirty (30) days after the effective date of this provision, each Owner of a parcel which is owned in the forms of ownership stated in preceding subsections (B) and (C) shall designate a primary occupant in writing to the Association. If any parcel Owner fails to do so, the Board of Directors may make the initial designation for the Owner, and shall notify the Owner in writing of its action.

(E) Life Estate. A parcel may be subject to a life estate, either by operation of law or by a voluntary conveyance. In that event, the life tenant shall be the only Association member from such Residence, and occupancy of the Residence shall be as if the life tenant was the only Owner. Upon termination of the life estate, the holders of the remainder interest shall have no occupancy rights unless separately approved by the Association. The life tenant shall be liable for all Assessments and charges against the parcel. Any consent or approval required of members may be given by the life tenant alone, and the consent or approval of the holders of the remainder interest shall not be required. If there is more than one life tenant, they shall be treated as co-Owners for purposes of determining voting and occupancy rights and shall be subject to subsection (B) above.

9.2 Transfers.

(A) Sale or Gift. No parcel Owner may dispose of a parcel or any ownership interest in a parcel by sale or gift (including agreement for deed) without prior written approval of the Board of Directors.

(B) Devise or Inheritance. If any parcel Owner acquires his title by devise or inheritance, his right to occupy or use the parcel shall be subject to the approval of the Board of Directors under Section 9.3 (A)(2) below. The approval shall not be denied to any devisee or heir who was the prior Owner's lawful spouse or non-spouse companion at the time of death, or was related to the Owner by blood or adoption within the first degree.

(C) Other Transfers. If any person acquires title in any manner not considered in the foregoing subsections, that person shall have no right to occupy or use the parcel and Residence before being approved by the Board of Directors under the procedures outlined in Section 9.3 below.

(D) Committee Approval. To facilitate transfers proposed during times when many of the members are not in Residence, the Board of Directors may by resolution delegate its approval powers to an *ad hoc* committee, which shall consist of at least three (3) members. The Chairman of the committee shall be deemed a Vice-President, and as such shall be empowered to execute Certificates of Approval on behalf of the Association.

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

9.3 Procedures.

(A) Notice to Association.

(1) Sale or Gift. An Owner of a parcel intending to make a sale or gift of his or any interest therein shall give to the Board of Directors or its designee written notice of such intention at least twenty (20) days before the intended closing date, together with the name and address of the proposed purchaser or donee, a copy of the executed sales contract, if any, and such other information as the Board may reasonably require. The Board may require a personal interview with any purchaser or donee and his spouse or non-spouse companion, if any, as a pre-condition to approval.

(2) Devise, Inheritance or Other Transfers. The transferee of a parcel must notify the Board of Directors of his ownership and submit a certified copy of the instrument evidencing his ownership and such other information as the Board may reasonably require. The transferee shall have no occupancy or use rights until and unless approved by the Board, but may sell or lease the parcel following the procedures in this Section or Section 9.

(3) Failure to Give Notice. If no notice is given, the Board of Directors, at its election, may approve or disapprove at the time it learns of the transfer. If any parcel Owner fails to obtain the Association's approval prior to selling an interest in a parcel, such failure shall create a rebuttable presumption that the seller and the purchaser intend to violate the covenants of this Declaration, and shall constitute good cause for Association disapproval.

(B) Board Action. Within twenty (20) days after receipt of the required notice and all information or interviews requested, or not later than sixty (60) days after the notice required by paragraph (A) above is received, whichever occurs first, the Board shall approve or disapprove the transfer. If a transfer is approved, the approval shall be stated in a Certificate of Approval executed by the President or the Vice-President of the Association in recordable form and delivered to the transferee of the parcel. If the Board neither approves nor disapproves within the time limits as set forth above, such failure to act shall be deemed the equivalent of approval and on demand the Board shall issue a Certificate of Approval to the transferee.

(C) Disapproval. Approval of the Association shall be withheld or denied only for good cause, and then only if a majority of the whole Board so votes, after receiving a written opinion of counsel that good cause exists. Only the following may be deemed to constitute good cause for disapproval:

(1) The person seeking approval (which shall hereinafter include all proposed occupants) has been convicted of or has pleaded no contest to:

(a) a felony involving violence to persons, theft, arson or destruction of property within the past twenty (20) years;

(b) or a felony demonstrating dishonesty or moral turpitude within the past ten (10) years; or

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

- (c) a felony involving illegal drugs within the past ten (10) years; or
- (d) any other felony in the past five (5) years; or
- (e) a felony involving sexual battery, sexual abuse, or lewd and lascivious behavior regardless of when that conviction occurred; or
- (f) the person seeking approval has been labeled a sexual offender or a sexual predator by any governmental or quasi-governmental agency regardless of when that conviction occurred or when that label occurred.

(2) The person seeking approval has a record of financial irresponsibility, including without limitation prior bankruptcies, foreclosures or bad debts;

(3) The person seeking approval gives the Board reasonable cause to believe that person intends to conduct himself in a manner inconsistent with the covenants and restrictions applicable to the property;

(4) The person seeking approval has a history of disruptive behavior or disregard for the rights or property of others;

(5) The person seeking approval has evidenced an attitude of disregard for Association rules by his conduct in Kings Lake as a tenant, parcel Owner or occupant of a Residence;

(6) The parties to the proposed transfer have failed to provide the information, fees or interviews required to process the application in a timely manner, or provided false information during the application process; or

(7) The transaction, if a sale or gift, was concluded by the parties without having sought and obtained the prior approval required herein.

9.4 Exception. The provisions of Sections 9.2 and 9.3 are not applicable to the acquisition of title by a first mortgagee who acquires title through the mortgage, whether by foreclosure or deed in lieu of foreclosure.

9.5 Unapproved Transfers. Any sale or transfer of ownership of a parcel which is not approved, or which is disapproved pursuant to the terms of this Declaration, shall not be concluded; and if it is concluded in disregard of this Section, shall be void or voidable by the Association unless subsequently approved in writing by the Board.

9.6 Fees Related to the Sale, Lease or Other Transfer of Parcels. Whenever herein the Board's approval is required to allow the sale, lease or other transfer of an interest in a Parcel, the Association may charge the Owner a preset fee for processing the application, such fee not to exceed the maximum amount allowed by law or one hundred dollars (\$100) per applicant, whichever is greater. In addition to the transfer fee, the Association may perform a background and credit review and the applicant shall be responsible for the cost of those reviews.

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

- 31 -

10. LEASING OF UNITS. In order to foster a stable residential community and prevent a motel-like atmosphere, the leasing of Units by their Owners shall be restricted as provided in this section. All leases of Units must be in writing. An Owner may lease only his entire Unit, and then only in accordance with this Section, after receiving the approval of the Association. The lessee must be a natural person. At the time of providing the Application to Lease, in addition to providing a background check for each Occupant over the age of eighteen (18) who will be occupying the Residence, the Owner shall also supply an acknowledgment by the Lessee and any Rental Company involved in securing the Lessee, that the Lessee has read, understands and agrees to abide by the Association's Governing Documents. No Unit shall be used as a short term transient accommodation. The legal responsibility for paying Association Assessments may not be delegated to the lessee. If the parcel is occupied by a tenant and the parcel Owner is delinquent in paying any monetary obligation due to the Association, the Association may demand by notice as provided by Statute that the tenant pay to the Association the subsequent rental payments and continue to make such payments until all the monetary obligations of the parcel Owner related to the parcel have been paid in full to the Association and the Association releases the tenant or until the tenant discontinues tenancy in the parcel. The tenant does not, by virtue of payment of monetary obligations, have any of the rights of a parcel Owner to vote in any election or to examine the books and records of the Association.

10.1 Procedures.

(A) Notice by the Owner. An Owner intending to lease his parcel and Residence shall give to the Board of Directors or its designee, written notice of such intention at least ten (10) days prior to the first day of occupancy under the lease together with the name and address of the proposed lessee, a fully executed copy of the proposed lease, and such other information as the Board may reasonably require. The Board may require a personal interview with any lessee and his or her spouse or non-spouse companion, if any, as a pre-condition to approval.

(B) Board Action. After the required notice and all information or interviews requested have been provided, the Board shall have ten (10) days in which to approve or disapprove the proposed lease. If the Board neither approves nor disapproves within that time, its failure to act shall be deemed the equivalent of approval, and on demand the Board shall issue a written letter of approval to the lessee.

(C) Disapproval. A proposed lease shall be disapproved only if a majority of the whole Board so votes, and in such case the lease shall not be made. Appropriate grounds for disapproval shall include, but not be limited to, the following:

- (1) the Residence Owner is delinquent in the payment of Assessments, fines, charges or other monetary obligations due to the Association at the time the application is considered;
- (2) the Residence Owner has a history of leasing his parcel without obtaining approval, or leasing to troublesome lessees and/or refusing to control or accept responsibility for the occupancy of his parcel;
- (3) the real estate company or rental agent handling the leasing transaction on behalf of the Owner has a history of screening lessee applicants inadequately, recommending undesirable lessees, or entering into leases without prior Association approval;

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

(4) the application on its face indicates that the person seeking approval intends to conduct himself in a manner inconsistent with the covenants and restrictions applicable to the property;

(5) The person seeking approval (which shall hereinafter include all proposed Occupants) has been convicted of or has pleaded no contest to:

(a) a felony involving violence to persons, theft, arson or destruction of property within the past twenty (20) years; or

(b) a felony demonstrating dishonesty or moral turpitude within the past ten (10) years; or

(c) a felony involving illegal drugs within the past ten (10) years; or

(d) any other felony in the past five (5) years; or

(e) a felony involving sexual battery, sexual abuse, or lewd and lascivious behavior regardless of when that conviction occurred; or

(f) The person seeking approval has been labeled a sexual offender or a sexual predator by any governmental or quasi-governmental agency regardless of when that conviction occurred or when that label occurred;

(6) the person seeking approval has a history of conduct which evidences disregard for the rights and property of others. By way of example, but not limitation, a lessee taking possession of the premises prior to approval by the Association as provided for herein shall constitute a presumption that the applicant's conduct is inconsistent with the Declaration and Rules and Regulations of the Association and may constitute grounds for denial;

(7) the person seeking approval evidences a strong probability of financial irresponsibility;

(8) the person seeking approval, during previous occupancy, has evidenced an attitude of disregard for the Association rules;

(9) the person seeking approval gives false or incomplete information to the Board as part of the application procedure, or the required transfer fees and/or security deposit is not paid; or

(10) the parcel Owner fails to give proper notice of his intention to lease his parcel and Residence to the Board of Directors.

(D) Failure to Give Notice or Obtain Approval. If proper notice is not given, the Board at its election may approve or disapprove the lease. Any lease entered into without approval may, at the option of the Board, be treated as a nullity, and the Board shall have the power to evict the lessee with five (5) days notice, without securing consent to such eviction from the parcel and Owner.

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

(E) Applications; Assessments. Applications for authority to lease shall be made to the Board of Directors on such forms and include such terms as the Board may provide from time to time. The legal responsibility for paying Association Assessments may not be delegated to the lessee.

(F) Committee Approval. To facilitate approval of leases proposed during times when many of the members are not in Residence, the Board of Directors may by resolution delegate its approval powers to an *ad hoc* committee, which shall consist of at least three (3) members.

(G) Manager Approval. To facilitate approval of leases proposed during times when many of the members are not in Residence, the Board of Directors may by resolution delegate its approval powers to the Manager of the Association. Only the Board of Directors shall have the power to disapprove a lease. If the Manager, after reviewing a lease and all information provided by the applicant, determines that he will not approve the lease, the Manager shall forward the proposed lease to the members of the Board of Directors for their review. Notwithstanding any other time periods set forth in this Section 10., the Board of Directors shall have twenty (20) days after the receipt of the lease from the Manager and all information or interviews requested in which to approve or disapprove the lease.

10.2 Term of Lease and Frequency of Leasing. No parcel and Residence may be leased more often than six (6) times in any calendar year, with the minimum lease term being thirty (30) days. The first day of occupancy under the lease shall determine in which year the lease occurs. No lease may be for a period of more than one (1) year, and no option for the lessee to extend or renew the lease for any additional period shall be permitted. However, the Board may, in its discretion, approve the same lease from year to year. No subleasing or assignment of lease rights by the lessee is allowed.

10.3 Security Deposit. The Board of Directors shall have the authority, as a condition of granting approval to a lease or renewal or extension thereof, to require that a prospective Lessee or Parcel Owner place a security deposit in an amount not to exceed the equivalent of one month's rent into an escrow account maintained by the Association to protect against damage to the common areas or property owned by the Association. Payment of interest, claims against the deposit, refunds, and disputes under this paragraph shall be handled in the same fashion as provided in Part II of Chapter 83 of the Florida Statutes as amended from time to time.

10.4 Regulation by Association. All of the provisions of the Governing Documents (this Declaration, the Articles of Incorporation, the Bylaws of the Association and the rules and regulations of the Association) shall be applicable and enforceable against any person occupying a parcel and Residence as a lessee or guest to the same extent as against the Owner. A covenant on the part of each occupant to abide by the Governing Documents, designating the Association as the Owner's agent with the authority to terminate any lease agreement and evict the tenants in the event of breach of such covenant, shall be deemed to be included in every lease agreement, whether oral or written, and whether specifically expressed in such agreement or not. All leases will provide, or be deemed to provide that the Lessees have read and agreed to be bound by the Governing Documents. The uniform lease or addendum and other leases shall further provide or be deemed to provide that any violation of the Governing Documents shall constitute a material breach of the lease and subject the Lessee to eviction as well as any other remedy afforded by the Governing Documents or Florida law. If a Lessee, resident, other occupant, guest or invitee of the Owner or Lessee fails to abide by the Governing Documents, the Owner(s) shall be responsible for the conduct of the Lessee, residents, occupants,

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

guests and invitees and shall be subject to all remedies set forth in the Governing Documents and Florida law, without waiver of any remedy available to the Association as to the Lessee. The Owner shall have the duty to bring his Lessee's conduct (and that of the other residents, occupants, guests and invitees of the Owner or Lessee) into compliance with the Governing Documents by whatever action is necessary, including without limitation the institution of eviction proceedings without notice to cure, where legally permissible. If the Owner fails to bring the conduct of the Lessee into compliance with the Governing Documents in a manner deemed acceptable by the Association, or in other circumstances as may be determined by the Board, the Association shall have the authority to act as agent of the Owner to undertake whatever action is necessary to abate the Lessee's noncompliance with the Governing Documents (or the other noncompliance of other residents, occupants, guests or invitees of the Owner or Lessee), including without limitation the right to institute an action for eviction against the Lessee in the name of the Association in its own right, or as agent of the Owner. The Association shall have the right to recover any costs or fees, including attorney's fees, incurred in connection with such actions, from the Owner which shall be secured by a continuing lien in the same manner as Assessments for common expenses, to wit, secured by a Lien for Charges, whether or not a lawsuit is commenced. All leases will be deemed to provide that the Association shall have the authority to direct that all rental income related to the unit be paid to the Association until all past due and current obligations of the Association have been paid in full, including but not limited to all past due Assessments, Charges, other monetary obligations, late fees, interest, attorneys' fees and cost and expenses of collection.

11. AMENDMENTS; TERMINATION.

11.1 Duration. The conditions of this Declaration shall run with the land and shall inure to the benefit of and be enforceable by the Association or the Owner of any real property subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of fifty (50) years from the date this Declaration is recorded, after which time said Declaration shall automatically be renewed and extended for successive periods of ten (10) years. The number of ten (10) year renewal periods hereunder shall be unlimited with this Declaration being automatically renewed and extended upon the expiration of each ten (10) year renewal period for an additional ten (10) year period; provided however, and subject to existing laws and ordinances, that there shall be no renewal or extension of this Declaration if during the last year of the initial period, or during the last year of any subsequent ten (10) year renewal period, at least two-thirds (2/3rds) of the Owners of Residences affirmatively vote at a duly held meeting of the members of the Association in favor of terminating this Declaration at the end of its then current term. It shall be required that written notice of any meeting at which such proposal to terminate this Declaration is to be considered, setting forth the fact that such a proposal will be considered, be given at least forty-five (45) days in advance of said meeting. If the Association votes to terminate this Declaration, the President and Secretary shall execute a certificate which shall set forth the resolution of termination adopted by the Association, the date of the meeting of the Association at which such resolution was adopted, the date that notice of such meeting was given, the total number of votes of members of the Association, the total number of votes required to constitute a quorum at a meeting of the Association, the number of votes necessary to adopt a resolution terminating this Declaration, and the total number of votes cast against such resolution. Said certificate shall be recorded in the Public Records of Collier County, Florida, and may be relied upon for the correctness of the facts contained therein as they relate to the termination of this Declaration.

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

- 35 -

11.2 Amendments by Members. Except as otherwise provided herein or by law, this Declaration may be amended at any time by the approval of at least seventy-five percent (75%) of the voting interests who are present and voting, in person or by proxy, at a duly called meeting of the members of the Association, called for the purpose. A copy of each adopted amendment shall be attached to a certificate stating that the amendment was duly adopted as an amendment to the Declaration, which certificate shall identify the Book and Page of the Public Records where the Declaration is recorded, and shall be executed by the President or Vice-President of the Association with the formalities of a deed. The amendment shall be effective when the certificate and copy of the amendment are recorded in the Public Records of Collier County, Florida.

12. ENFORCEMENT; GENERAL PROVISIONS.

12.1 Enforcement. Enforcement of these covenants, conditions and restrictions may be by a proceeding at law or in equity and may be instituted by the Association, its successors or assigns, or by any Owner, against any person or persons violating or attempting to violate or circumvent any covenant, condition or restriction, either to restrain violation or to recover damages, and against any parcel to enforce any lien created by these covenants. Failure of the Association or any Owner to enforce any covenant, condition or restriction herein contained for any period of time shall not be deemed a waiver or estoppel of the right to enforce same thereafter.

12.2 Owner and Member Compliance. The protective covenants, conditions, restrictions and other provisions of the governing documents and the rules promulgated by the Association shall apply to members and all persons to whom a member has delegated his right of use in and to the common areas, as well as to any other person occupying any Residence under lease from the Owner or by permission or invitation of the Owner or his tenants (express or implied), and their licensees, invitees or guests. Failure of an Owner to notify any person of the existence of the rules, or the covenants, conditions, restrictions, and other provisions of the governing documents shall not in any way act to limit or divest the Association of the power to enforce these provisions. Each residential parcel Owner shall be responsible for any and all violations by his tenants, licensees, invitees or guests, and by the guests, licensees and invitees of his tenants, at any time.

12.3 Litigation. Enforcement actions for damages, or for injunctive relief, or both, on account of any alleged violation of law, or of the governing documents or Association rules, may be brought, but shall not be required to be brought, by the Association or by a unit Owner against:

(A) the Association;

(B) a parcel Owner;

(C) anyone who occupies or is a tenant or guest of a residential parcel; or

(D) any officer or Director of the Association who willfully and knowingly fails to comply with these provisions.

12.4 Attorney Fees. The Association has the right to assess, as an Individual Assessment, and Owner for any costs and attorney's fees incurred by the Association in efforts to cause the Owner, his or her family member, guest, or tenant, to come into compliance with the terms of the Governing Documents, whether or

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

not a lawsuit is commenced. In any legal proceeding arising out of an alleged failure of a guest, tenant, residential Owner, officer, Director or the Association to comply with the requirements of the law, or the Governing Documents, as they may be amended from time to time, the prevailing party shall be entitled to recover the costs of the proceeding and such attorney's fees as may be awarded by the court, including appellate attorney fees and costs.

12.5 No Election of Remedies. All rights, remedies and privileges granted to the Association or Owners under the law and the governing documents shall be cumulative, and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party from exercising any other rights, remedies, or privileges that may be available.

12.6 Notices. Any notice required to be sent to any member or Owner under the provisions of this Declaration shall be deemed to have been properly sent, and notice thereby given, when mailed, with the proper postage affixed to the last known address of the Owner appearing in the records of the Association, or to the address of the member's Residence. Notice to one of two or more co-Owners of a parcel shall constitute notice to all co-Owners. It shall be the obligation of every member to immediately notify the Secretary of the Association in writing of any change of address.

12.7 Severability. Should any covenant, condition or restriction herein contained, or any section, subsection, sentence, clause, phrase or term of this Declaration or its recorded exhibits be declared to be void, invalid, illegal, or unenforceable, for any reason, by any court having jurisdiction over the parties hereto and the subject matter hereof, such judgment shall in no way affect the other provisions hereof which are hereby declared to be severable and which shall remain in full force and effect.

12.8 Interpretation. The Board of Directors is responsible for interpreting the provisions of this Declaration and its exhibits. Such interpretation shall be binding upon all parties unless wholly unreasonable. A written opinion rendered by legal counsel that an interpretation adopted by the Board is not unreasonable shall conclusively establish the validity of such interpretation.

12.9 Non-Profit Status. Notwithstanding anything contained herein to the contrary, the Association will perform no act nor undertake any activity inconsistent with its non-profit status under applicable state or federal law.

12.10 Use of Singular and Plural and Gender. Whenever the context so permits, the use of the singular shall include the plural and the plural shall include the singular, and the use of any gender shall be deemed to include all genders.

12.11 Headings. The headings used in the governing documents are for reference purposes only, and do not constitute substantive matter to be considered in construing the terms and provisions of these documents.

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

- 37 -

EXHIBITS TO DECLARATION

Exhibits listed below were recorded on November 9, 1979, together with the original Declaration of Protective Covenants, Conditions and Restrictions of Kings Lake, Unit No. 1 at O.R. Book 841, Page 1791 *et seq.*, Public Records of Collier County, Florida.

- The following exhibits, as previously recorded with the original Declaration are hereby incorporated by reference as exhibits to the Amended and Restated Declaration of Protective Covenants.
- In addition, the following Exhibits are completely amended and restated, and the Restatements are attached hereto and recorded herewith.

Exhibit “A” - LEGAL DESCRIPTION

Exhibit “B”- ARTICLES OF INCORPORATION

Exhibit “C” - BYLAWS

EXHIBIT “A” - LEGAL DESCRIPTION

(THIS PROVISION WILL BE ADDED AT THE END OF THE DRAFTING)

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

- 38 -