

ARTICLES OF INCORPORATION

OF

PROPERTY OWNERS ASSOCIATION OF UNIVERSITY WOODS, INC.

In compliance with the requirements of Florida Statutes, Chapter 617, the undersigned, all of whom are of full age, have this day voluntarily associated themselves together for the purpose of forming a corporation not for profit and do hereby certify:

ARTICLE I

NAME OF CORPORATION

The name of the corporation is PROPERTY OWNERS ASSOCIATION OF UNIVERSITY WOODS, INC. (hereinafter called the "Association").

ARTICLE II

PRINCIPAL OFFICE OF THE ASSOCIATION

The principal office of the Association is 890 Barnett Plaza, 201 South Orange Avenue, Orlando, Florida 32801.

ARTICLE III

REGISTERED OFFICE AND REGISTERED AGENT

The street address of the initial registered office of the Association is 890 Barnett Plaza, 201 South Orange Avenue, Orlando, Florida 32801, and the name of the initial registered agent at that address is Hubert R. Earley.

ARTICLE IV

PURPOSE AND POWERS OF THE ASSOCIATION

This Association does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed are to provide for maintenance, preservation and architectural control of the residence Lots and Common Area within that certain tract of property described as:

That certain real property shown and described on the Plats of UNIVERSITY WOODS -PHASE I, according to the Plat thereof as recorded in Plat Book 15, Page 70, of the Public Records of Orange County, Florida; UNIVERSITY WOODS - PHASE II, according to the Plat thereof recorded at Plat Book 16, Page 30, Public Records of Orange County, Florida; and UNIVERSITY WOODS - PHASE III, according to the Plat thereof recorded at Plat Book 19, Page 106, Public Records of Orange County, Florida, (hereinafter collectively referred to as the "Property");

and to promote the health, safety and welfare of the residents within the above described property and any additions thereto as may hereafter be brought within the jurisdiction of this Association for this purpose to:

- (a) Exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in that certain Declaration of Covenants, Conditions and Restrictions (hereinafter called the

“Declaration”) applicable to the Property and recorded or to be recorded on the Public Records of The Clerk of Orange County, Florida, and as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth at length;

- (b) Fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association;
- (c) Acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association;
- (d) Borrow money, and with the assent of two-thirds (2/3) of each class of members mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;
- (e) Dedicate, sell or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument has been signed by two-thirds (2/3) of each class of members, agreeing to such dedication, sale or transfer;
- (f) Participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or annex additional residential property and Common Area, provided that any such merger, consolidation or annexation shall have the assent of two-thirds (2/3) of each class of members;
- (g) Have and to exercise any and all powers, rights and privileges which a corporation organized under the Nonprofit Corporation Law of the State of Florida by law may now or hereafter have or exercise.

ARTICLE V

MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided fee interest in any Lot or Dwelling Unit which is subject by covenants of record to assessment by the Association, including contract sellers, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot or Dwelling Unit which is subject to assessment by the Association.

ARTICLE VI

VOTING RIGHTS

The Association shall have two classes of voting membership:

Class A. Class A members shall be every person or entity who is a record owner of a fee simple of undivided fee simple interest in any Lot or Dwelling Unit which is subject by covenants of record to assessment by the Association, excluding the Developer. A Class A Member shall be entitled to one (1) vote for each Lot or Dwelling Unit owned by such member and in no event shall more than one (1) vote be cast with respect to any such Lot or Dwelling Unit.

Class B. The Class B Member shall be the Declarant (as defined in the Declaration) and shall be entitled to three (3) votes for each Lot owned. The Class B Membership shall terminate and become converted to Class A Membership on the happening of any of the following events whichever occurs earlier:

- (a) When the total votes outstanding in the Class A Membership equal the total votes outstanding in the Class B Membership or,
- (b) On June 1, 1990.

From and after the happening of these events, whichever occurs earlier, the Class B Member shall be deemed to be a Class A Member entitled to one (1) vote for each Lot or Living Unit in which it holds the interest required for membership under Article III, Section 1 of the Declaration of Covenants, Conditions and Restrictions.

ARTICLE VII

BOARD OF DIRECTORS

The affairs of this Association shall be managed initially by a Board of three (3) Directors who shall serve until the organization meeting and thereafter by a Board of three (3) Directors, who need not be members of the Association. The number of Directors may be changed by amendment of the Bylaws of the Association. The names and addresses of the persons who are to act in the capacity of Directors until the selection of their successors are:

<i>Name</i>	<i>Address</i>
Hubert R. Eartey	890 Barnett Plaza 201 S. Orange Avenue Orlando, Florida 32801
Thorpe J. Earley	890 Barnett Plaza 201 S. Orange Avenue Orlando, Florida 32801
Carol E. Elder	890 Barnett Plaza 201 S. Orange Avenue Orlando, Florida 32801

At the first annual meeting, the members shall elect three (3) Directors for a term of one (1) year.

ARTICLE VIII

INITIAL OFFICERS

The affairs of the Association shall be managed by a President, Vice-President, Secretary and Treasurer, and such other officers as permitted in the Bylaws. The names and addresses of those persons who are to act as the officers of the corporation until the election of their successors are:

<i>Name</i>	<i>Officer</i>	<i>Address</i>
Hubert R. Earley	President	890 Barnett Plaza 201 S. Orange Avenue Orlando, Florida 32801
Thorpe J. Earley	Vice President	890 Barnett Plaza 201 S. Orange Avenue Orlando, Florida 32801
Carol E. Elder	Secretary/ Treasurer	890 Barnett Plaza 201 S. Orange Avenue Orlando, Florida 32801

The above-named officers shall serve until the first and organizational meeting of the Board of Directors of the corporation. The officers shall be elected by the Directors at the first meeting of the Board of Directors and shall hold office for a one (1) year period from the date of their election.

ARTICLE IX

DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of each class of members. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to such similar purpose.

ARTICLE X

DURATION

The corporation shall exist perpetually.

ARTICLE XI

AMENDMENTS

Amendment of these Articles shall require the assent of seventy-five (75%) percent of the entire membership.

ARTICLE XII

BYLAWS

The Bylaws of this corporation shall be adopted by the Board of Directors and may be altered, amended or rescinded by a majority vote of the Board of Directors.

ARTICLE XIII

FHA/VA APPROVAL

In the event that the Declarant seeks Federal Housing Administration or Veterans Administration approval of the property then as long as there is a Class B Membership, the following actions will require the prior approval of the FHA or the VA: annexation of additional properties, mergers and consolidations, mortgaging of Common Area, dedication of Common Area, dissolution and amendment of these Articles.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Florida, we, the undersigned, constituting the incorporators of this Association, have executed these Articles of Incorporation on this ____ day of May, 1987.

BYLAWS
OF
PROPERTY OWNERS ASSOCIATION OF UNIVERSITY WOODS, INC.

ARTICLE I

NAME AND LOCATION

The name of the corporation is PROPERTY OWNERS ASSOCIATION OF UNIVERSITY WOODS, INC., hereinafter referred to as the 'Association.' The principal office of the Association shall be located at 890 Barnett Plaza, 201 South Orange Avenue, Orlando, Florida 32801, but meetings of members and Directors may be held at such places within the State of Florida, County of Seminole or Orange, as may be designated by the Board of Directors.

ARTICLE II

PURPOSE

The purpose of this Association shall be to promote sound growth, progressive civic improvement, beautification and healthy residential and recreational development of the area included in, surrounding, and contiguous to the UNIVERSITY WOODS - PHASE I, PHASE II and PHASE III.

ARTICLE III

DEFINITIONS

Section 1. "Association" shall mean and refer to PROPERTY OWNERS ASSOCIATION OF UNIVERSITY WOODS, INC., its successors and assigns.

Section 2. "Lot" shall mean and refer to any lot recorded on the Plat of UNIVERSITY WOODS - PHASE I, according to the plat thereof as recorded in Plat Book 15, Page 70, Public Records of Orange County, Florida; UNIVERSITY WOODS - PHASE II, according to the Plat thereof recorded at Plat Book 16, Page 30, Public Records of Orange County, Florida; and UNIVERSITY WOODS - PHASE III, according to the Plat thereof recorded at Plat Book 19, Page 106, Public Records of Orange County, Florida, or any other Section of UNIVERSITY WOODS - PHASES I, II and III hereafter platted.

Section 3. "Owner*" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot.

Section 4. "Member" shall mean and refer to those persons who are owners as defined herein.

Section 5. "Declarant" or "Developer" shall mean and refer to Hubert R. Earley, his successors and assigns if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

Section 6. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to UNIVERSITY WOODS - PHASES I, II and III as recorded in the Office of the Clerk of Orange County, Florida, at O.R. Book 3644, Page 2455, (Phase I); O.R. Book 3700, Page 154, (Phase II); and O.R. Book 3887, Page 2644, (Phase III); all Public Records of Orange County, Florida.

ARTICLE IV

ADMISSION TO MEMBERSHIP

Membership shall be automatic upon becoming an Owner. A Member in good standing is one whose assessments have been paid to the Association in a timely fashion. Members not in good standing may be reinstated upon application to the Board of Directors and payment of all back fees or assessments which have accrued during the period of non-good standing. Membership is not transferable and shall automatically terminate when a Member is no longer an Owner.

ARTICLE V

ASSESSMENTS

Until June 1, 1988, the maximum annual assessments by the Association for all Lots on which a Dwelling Unit has been completed and for which a Certificate of Occupancy has been issued (or any similar governmental approval permitting occupancy of a Dwelling Unit) shall be SIXTY AND NO/100 DOLLARS (\$60.00) per Lot and Dwelling Unit. The maximum annual assessment by the Association for all other Lots owned by Class B Members shall be twenty-five (25%) percent of the annual assessment for lots owned by Class A Members. From and after June 1, 1988, the maximum annual assessment may be increased each year not more than five percent (5%) above the maximum assessment for the previous year without a vote of the membership. The maximum annual assessment may be increased or decreased above the five percent (5%) increase by a vote of two-thirds (2/3) of the Class A Members of the Association present at a meeting or by proxy.

The fiscal year of the Association shall begin on the first day of January and end on the last day of December of each calendar year. Assessments remaining uncollected thirty (30) days after the due date will be sufficient grounds for a Member to be placed in a non-good standing status, unless suitable prior arrangements have been made with the Association. There shall be no reimbursement of assessments.

ARTICLE VI

MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the Members shall be held within one (1) year from the date of incorporation of the Association, and each subsequent regular annual meeting of the Members shall be held on the same day of the same month of each year thereafter, at the hour stated in the notice given for the meeting. If the day for the annual meeting of the Members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the President or by the Board of Directors, or upon written request of the Members who are entitled to vote one-fourth (1/4) of all of the votes.

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, not less than thirty (30) days nor more than sixty (60) days in advance of such meeting to each Member entitled to vote there at, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of Members entitled to cast, or of

proxies entitled to cast, one-tenth (1/10) of the votes shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote there shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Lot.

ARTICLE VII

BOARD OF DIRECTORS: SELECTION / TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of not less than three (3) Directors, who need not be Members of the Association.

Section 2. Term of Office. The term of office of the Directors shall be one (1) year with the exception of the first term of the Board of the Association which shall consist of three (3) Directors having a term of three (3) years. After three (3) years there shall be a general election to establish the Members of the Board. The normal term of office shall extend from the time of installation to the second annual meeting thereafter.

In addition to the Directors of the Association, as hereinbefore described, the immediate past President of the PROPERTY OWNERS ASSOCIATION OF UNIVERSITY WOODS, INC. shall become an exofficio member of the Board of Directors, for the year immediately following his term of office as President, but shall not be entitled to vote, unless the immediate past President remains on the Board of Directors by virtue of his election to the Board of Directors, as hereinbefore described.

The business and property of the corporation shall be managed by the Board of Directors. The Board of Directors shall have full control over the affairs of the corporation and shall be authorized to exercise all of the corporate powers, by a majority vote of the Directors, unless otherwise provided in these Bylaws. Vacancies on the Board of Directors shall be filled by a majority vote of the membership of the Association.

Section 3. Removal. Any Director may be removed from the Board, with or without cause, by a majority vote of each class of the Members of the Association. In the event of death, resignation or removal of a Director, his successor shall be selected by the remaining Members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without a Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as through taken at a meeting of the Directors.

ARTICLE VIII

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee which Nominating Committee shall be appointed by the

Board of Directors at least thirty (30) days prior to the annual meeting. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a Member of the Board of Directors, and two (2) or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall, in its discretion, determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among Members or nonmembers.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election, the Members or their proxies may cast, in respect to each vacancy, one vote per Lot. The persons receiving the largest number of votes shall be elected. Cumulating voting is not permitted.

ARTICLE IX

MEETING OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held monthly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two (2) Directors, after not less than three (3) days' notice to each Director.

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

ARTICLE X

POWER AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have the power to:

- (a) Adopt and publish rules and regulations governing the use of the Common Area and facilities and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof.
- (b) Suspend the voting rights and right to use of the Association's recreational facilities, if any, of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association.
- (c) Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws or the Articles of Incorporation.
- (d) Declare the office of a Member of the Board of Directors to be vacant in the event such Director shall be absent from three (3) consecutive regular meetings of the Board of Directors.
- (e) Such other powers ordinary, reasonable, and necessary to the functioning of the Association.

(f) Employ a manager, independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

Section 2. Duties. It shall be the duty of the Board of Directors to:

- (a) Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Members who are entitled to vote.
- (b) Supervise all officers, agents and employees of this Association, and to see that their duties are properly performed.
- (c) To fix the amount of the annual dues and to send written notice of changes in the amount of dues to each Member of the Association.
- (d) Procure and maintain adequate liability and hazard insurance on any property owned by the Association.
- (e) Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate.
- (f) Foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the Owner personally obligated to pay the same.
- (g) Cause the Common Area to be maintained.
- (h) Issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment.

ARTICLE XI

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of this Association shall be a President and Vice President, who shall at all times be Members of the Board of Directors, a Secretary and a Treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he or she shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may from time to time determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of

such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one (1) of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

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

(a) President. The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out and perform such other duties as ordinarily pertain to that office.

(b) Vice-President. The Vice-President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

(c) Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association, together with their addresses; to maintain in his possession a revolving fund of the Association's monies in an amount not to exceed \$25.00 for the purpose of purchasing postage stamps, stationery and other necessary supplies for the use of the Association, and shall perform such other duties as required by the Board.

(d) Treasurer. It shall be the duty of the Treasurer to safely keep all monies of the corporation, which may come into his hands from time to time, and to pay out the same upon check or draft of the President, or Vice-President in the absence of the President, countersigned by the Treasurer. The Treasurer is authorized to expend up to \$25.00 for any single unit of purchase, without approval of the Board of Directors. The Treasurer shall keep accurate books of account of transactions of his office and generally perform all other duties pertaining to his office which may be required by the Board of Directors. He shall countersign all financial documents requiring the signature of the President or Vice-President, as hereinbefore provided. He shall promptly deposit monies of the corporation as the same may come into his hands in such bank or trust company, or companies, as may be designated by the Board of Directors. Such deposits shall be in the name of the PROPERTY OWNERS ASSOCIATION OF UNIVERSITY WOODS, INC.

ARTICLE XII

COMMITTEES

The Association shall appoint an Architectural Review Committee, as provided in the Declaration, and a Nominating Committee, as provided in these Bylaws.

The Association may, from time to time, appoint committees and delegate to them such authority as may be deemed advisable by the Board, so long as the same shall be within the limits of the Board's authority and discretion.

Committees may be added as deemed appropriate in carrying out the purpose of the Association. All committee chairmen shall be appointed by a majority vote of the Board of Directors. Such chairmen shall serve at the discretion of the Board of Directors, and may be removed from office by a majority vote of the Board of Directors.

ARTICLE XIII

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XIV

ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the Lots against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of one and one-half percent (1.5%) per month, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Lot. Interest, costs and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waiver or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of his Lot.

ARTICLE XV

CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: PROPERTY OWNERS ASSOCIATION OF UNIVERSITY WOODS, INC.

ARTICLE XVI

AMENDMENTS

Section 1. These Bylaws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of Members present in person or by proxy.

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

DECLARATION
OF
COVENANTS, CONDITIONS AND RESTRICTIONS

THIS DECLARATION, made as of the date hereinafter set forth by
_____, hereinafter referred to as "Declarant."

WITNESSETH: _____

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

UNIVERSITY WOODS, PHASE I, (also sometimes referred to as Berkshire Place Subdivision), as per Plat thereof recorded in Plat Book 15, Page(s) 70, Public Records of Orange County, Florida.

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

ARTICLE I

DEFINITIONS

Section 1. "Homeowners Association" and "Property Owners Association" shall both mean and refer to UNIVERSITY WOODS HOMEOWNERS ASSOCIATION, INC., a non-profit corporation organized under the laws of the State of Florida, its successors and assigns, and the terms may be used interchangeably from time to time herein.

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

Section 3. "Properties" shall mean and refer to University Woods, Phase 1, (also sometimes referred to as Berkshire Place Subdivision), as per Plat thereof recorded in Plat Book 15, Page(s) 70, Public Records of Orange County, Florida, and such additional property as the Declarant may choose to submit to the easements, covenants, conditions and restrictions hereby imposed.

Section 4. "Common Area" shall mean all real property (including the improvements thereto) owned by the Homeowners Association for the common use and enjoyment of the Owners, and shall also include all subdivision walls erected by the developer, his successors) in interest or the Homeowners Association.

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

Section 6. "Designated Tract" shall mean the area designated on the plat of the Properties as Tract A (or is more than one such area, then designated at Tract A, Tract B, etc.).

ARTICLE II

PROPERTY RIGHTS

Section 1. Owner's Easements of Enjoyment. Every Owner shall have a non-exclusive right

and easement of enjoyment in and to the Common Area and in and to the Designated Tract(s) which shall be appurtenant to and shall pass with the title to every Lot subject to the following provisions:

- (a) the right of the Homeowners Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;
- (b) the right of the Homeowners Association to suspend the voting rights and right to use any of the recreational facilities by an Owner for any period during which any assessment against his Lot remains unpaid: and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations;
- (c) the right of the Homeowners Association to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument signed by two-thirds (2/3) of each class of members agreeing to such dedication or transfer has been recorded.

Section 2. Owner's Use of Lot. Use of Lots shall be limited to residential purposes.

Section 3. Delegation of Use. Any Owner may delegate, in accordance with the By-Laws, his right or enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the Property.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

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

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

Class A. Class A members shall be all Owners, with the exception of the Declarant, and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot. Class A members shall also include all owners, with the exception of the Declarant, lots in additional units if additional units are subjected to these restrictions as elsewhere provided in this Declaration.

Class B. The Class B member shall be the Declarant and shall be entitled to three (3) votes for each Lot owned (to include each owned lot in additional units if additional units are subjected to these restrictions as elsewhere provided in this Declaration). The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

- (a) When the total votes outstanding in the Class A membership (as expanded by dedication of additional units) equal the total votes outstanding in the Class B membership (as expanded by dedication of additional units),
- or
- (b) On January 1, 1989.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation as Assessments. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed thereof, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to

pay to the Homeowners Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs and reasonable attorneys' fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made; provided, however, no such assessment shall be a lien on the land until such lien is recorded in the public records of Orange County, Florida. Each such assessment, together with interest, dues and reasonable attorneys' fees, shall also be the personal obligation of the person who was the owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessment. The assessments levied by the Homeowners Association shall be used exclusively, except as hereinafter provided in Section 11, to promote the recreation, health, safety and welfare of the residents in the properties (including necessary or appropriate professional fees) and for the improvement and maintenance of the Designated Tract(s), Common Area and any subdivision walls erected by the developer, his successor(s) in interest or the Homeowners Association.

Section 3. Assessment Allocation. Assessments shall be levied as to each Lot on the basis of the class of membership as hereinafter set forth. The assessment for the Class B membership for any vacant Lot or any Lot superimposed with an unoccupied, unsold living unit structure shall be twenty-five percent (25%) of the annual assessment for a Class A member.

Section 4. Maximum Annual Assessment. Until January 1, 1987, the maximum annual assessment by the Homeowners Association for each Lot shall be Sixty Dollars (\$60.00) per lot. From and after January 1, 1987, the maximum annual assessment of the Homeowners Association may be increased each year not more than five percent (5%) above the maximum assessment for the previous year without a vote of the membership. The maximum annual assessment may be increased above five percent (5%) by a vote of two-thirds (2/3) of the Class A members who are voting in person or by proxy, at a meeting of the Homeowners Association duly called for this purpose. The Board of Directors may fix the annual assessments at an amount not to exceed the maximum.

Section 5. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Homeowners Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including any subdivision walls, fixtures and personal property related thereto, provided that any such assessment shall have been approved by two-thirds (2/3) of each class of members who are voting in person or by proxy at a Homeowners Association meeting duly called for this purpose.

Section 6. Notice and Quorum for any Action Authorized Under Sections 4 and 5. Written notice of any meeting called for the purpose of taking any action authorized under Section 4 or 5 shall be sent to all members of the Homeowners Association not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members, or of proxies of each class entitled to cast sixty percent (60%) of all the votes of each class shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 7. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots within each class of membership and may be collected on a monthly, quarterly, or annual basis.

Section 8. Date of Commencement of Annual Assessments: Due Date. The annual assessments provided for herein as to the Homeowners Association shall commence as to all Lots on the first day of the month following the conveyance to the Homeowners Association of the Common Area, or on the first day of the month following the conveyance to the Property Owners Association of the Designated Tract, whichever occurs first. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors of the Homeowners Association shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors of the Homeowners Association. The Homeowners Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of that Association setting forth whether the assessments on a specific Lot

have been paid. A properly executed Certificate of the Homeowners Association as to the status of assessments on a Lot is binding upon that Association as of the date of its issuance.

Section 9. Effect of Nonpayment of Assessments: Remedies of the Homeowners Association.

Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of one and a half percent (1.5%) per month. The Homeowners Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or of the Designated Tract, as the case may be, or abandonment of his Lot. In any action to enforce any assessments made hereunder, the prevailing party shall be entitled to a reasonable attorney's fee, including attorneys' fees for appellate proceedings.

Section 10. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage made prior to or notice of lien. Sale or transfer of any lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 11. Lot and Exterior Maintenance. In the event an Owner of any Lot in the Properties shall fail to maintain his Lot and the improvements situated thereon in a manner which may directly affect the health or safety of other owners, the Homeowners Association, after approval by two-thirds (2/3) vote of the Board of Directors and fifteen (15) days' written notice to the Owner, shall have the right, through its agents and employees, to enter upon said parcel and to the extent reasonably necessary to protect the health or safety of other owners, to make repairs to, or clear the Lot or the exterior of the buildings and any other improvements erected thereon. The cost of such debris or clearing shall be added to and become part of the assessment to which such Lot is subject, which shall be due and payable thirty (30) days from the date said assessment is made.

ARTICLE V

ARCHITECTURAL CONTROL

No building, fence, wall or other structure shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Homeowners Association, or by an architectural control committee composed of three (3) or more representatives appointed by the Board. In the event said Board, or its designated committee, fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with. Prior to the date specified in Article III, Section 2, Class B, the functions herein shall be vested in the declarant.

ARTICLE VI

GENERAL RESTRICTIONS - USE AND OCCUPANCY

Section 1. General Prohibition. No dwelling, dwelling house, garage, outbuilding, structure or appurtenance of any kind, including additions or substantial alterations thereto, shall be erected, placed or maintained on the Properties or any portion thereof that does not conform to the standards, requirements, prohibitions and provisions of this Declaration, and all such construction shall be performed, completed, erected, placed and maintained only in accordance with the plans and specifications required herein as approved by the Board.

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

professional, commercial, industrial or manufacturing or other non-residential use shall be engaged in or carried on upon the Properties, or any part thereof; nor shall anything be done thereon which may be or which may become an annoyance or a nuisance to the Properties or adjacent properties.

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

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

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

Section 6. Maintenance and Repair. All dwellings, structures, buildings, outbuildings, walls, driveways and fences placed or maintained on the Properties or any portion thereof shall at all times be maintained in good condition and repair.

Section 7. Completion of Construction. All exterior construction and paint and stain finishing for which plans and specifications are required herein to be submitted to the Homeowners Association's Board of Directors for approval shall be completed within six (6) months from the date of approval for said approval to remain in force and effect, unless said Board shall grant a greater period of time to complete said construction or shall grant an extension of said six-month period.

Section 8. No Temporary Buildings. No tent, shack, trailer, house trailer, basement, garage, or other outbuilding shall at any time be used on any Lot as a residence temporarily or permanently and no building or dwelling of a temporary character shall be permitted, except as follows: Buildings necessary for construction or sales taking place on the Properties and not intended to be used for living accommodations may be erected and maintained on the property only during the course of construction and sales.

Section 9. Ground Maintenance.

(a) Grass, hedges, shrubs, vines and mass plantings of any type on each Lot shall be kept trimmed and shall at regular intervals be mowed, trimmed and cut so as to maintain the same in a neat and attractive manner. Trees, shrubs, vines and plants which die shall be promptly removed and replaced.

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

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

Section 10. Fences. Walls. Hedges. Mass Planting of any Type.

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

(b) No hedge or mass planting of any type exceeding three (3) feet above the

finished graded surface of the ground upon which it is located, shall be constructed, planted, placed or maintained between the street and the front setback line of any Lot without the written consent and approval of the Homeowners Association's Board of Directors.

(c) No fence to be constructed shall be of wire, chain links, or cyclone style of fences.

Section 11. Animals, Birds and Fowl. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except that a reasonable number of dogs, cats or other household pets may be kept provided that they are not kept, bred or maintained for any commercial purposes. In the event of dispute as to the reasonableness of the number of such cats, dogs, or household pets kept upon the Properties, the decision and opinion of the Homeowners Association's Board of Directors shall control.

Section 12. Laundry. No clothes, sheets, blankets or other articles shall be hung out to dry in the side or front yards of any Lot except in a service yard or yard enclosed by a lattice, fence, wall or other screening device.

Section 13. Exterior Light Fixtures. No exterior lighting fixtures shall be installed on any Lot or residential dwelling without adequate and proper shielding of the fixture. No lighting fixture shall be installed that may become an annoyance or a nuisance to the residents or adjacent properties.

Section 14. Parking. The parking of commercial vehicles, which description shall include trucks (larger than a pick-up truck), truck-tractors, semi-trailers, and commercial trailers, at any time on driveways, otherwise on said premises or on the public streets of said subdivision, is prohibited except for loading and unloading purposes or when parked entirely within a closed garage permitted to be built under the provisions of these restrictions. Boats, motor homes, campers, travel trailers and similar recreational vehicles, inoperable vehicles or vehicles under repair may only be placed and kept or stored upon the property in a closed garage.

Section 15. Utility and Drainage Easements. Easements for installation and maintenance of utilities and drainage facilities are shown on the plat, or are of record, and the same are reserved for such use. Within these easements, or on any Lot, no structure, planting, or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may change the direction of flow of drainage in the easements, or which may obstruct or retard the flow of water through drainage channels to the easements. It is important that the banks, swales and drainage canals located within the Properties remain undisturbed and properly maintained in order to perform their function. Where any portion of such berms, swales and banks lie within a Lot, the Owner of that Lot shall maintain the same continuously and shall not disturb, damage or otherwise interfere with the term, swale, drainage canal or other portion of said lake, drainage canal or system which adjoins said Owner's Lot.

Section 16. Excavations. No excavations for stone, gravel, dirt or earth shall be made on any portion of the Properties except for the construction of dwellings, walls, foundations, structures and other appurtenances, plans and specifications for which excavations have been approved by the Homeowners Association's Board of Directors. Excavations may be made for swimming pools and reasonable landscaping without said Board approval, subject to this Declaration of Covenants.

Section 17. Signs. Except for signs permitted by the Developer and except as otherwise permitted by the Homeowners Association's Board of Directors, no sign of any character shall be displayed or placed upon any Lot or living unit except "for rent" or "for sale" signs, which signs may refer only to the particular premises on which displayed, shall not exceed six (6) square feet in size, shall not extend more than four (4) feet above the ground, and shall be limited to one (1) sign per Lot or living unit, and displayed only upon the Lot sought to be rented or sold.

Section 18. Refuse. No trash, garbage, rubbish, debris, waste or materials or other refuse shall be deposited or allowed to accumulate or remain on any Lot. Unless otherwise approved by the Homeowners Association's Board of Directors, lightweight containers weighing not more than twenty-five pounds (25 lbs.) are permitted for trash, garbage, rubbish, debris, waste material or other refuse. Said containers must be tied or closed at all times and kept from view by the public or residents within the vicinity. Said containers shall not be placed at streetside for removal of refuse prior to the evening before the announced pickup time. Said containers must be returned to the utility yard or enclosure

within eight (8) hours after announced pickup time.

Section 19. Nuisances. No noxious or offensive trade or activity shall be permitted on any Lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood.

Section 20. Preservation and Maintenance of Stones, Banks and Swales. No person shall reconstruct, damage or destroy, open, reduce, remove, alter, modify or install anything or improvement within, over or upon any bank, slope or swale without first obtaining written approval from the Homeowners Association's Board of Directors (or if the area lies within the Designated Tract, then from the Property Owners Association's Board of Directors). No construction or excavation in the proximity of any canal, bank, slope or swale, shall be permitted which may substantially impair the stability of the slopes in said area.

Section 21. Wells. No water wells shall be dug on any Lot or on the Properties except for purposes of irrigation or landscaping.

Section 22. Open Burning.

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

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

Section 23. Maintenance of Common Driveways. Where one private driveway serves two or more Lots, maintenance of said driveway within areas set aside for access easements shall be the equal responsibility of the Owners of the Lots served by said driveway.

Section 24. Swimming pools. Swimming pools may be constructed on any Lot provided that access to them from outside the Lot is controlled from all directions by fencing and the residential structure. If pools are protected by screens, such screens and their structures shall be approved by the Board.

Section 25. Preservations of Existing Trees. No existing living tree greater than four (4) inches caliper, measured three (3) feet above the ground, shall be removed from any Lot for any reason except disease or unless said tree interferes with the erecting or placing of the living unit on said Lot.

Section 26. Right to Inspect. The Homeowners Association's Board of Directors may at any reasonable time or times during periods of construction or alteration and within thirty (30) days thereafter enter upon and inspect any Lot and any improvements thereon for the purpose of ascertaining whether the maintenance of such Lot and the maintenance, construction or alteration of structures thereon are in compliance with the provisions hereof; and neither said Board nor any of its agents shall be deemed to have committed a trespass or other wrongful act by reason of such entry or inspection.

Section 27. Antennae and Aerials. No exterior antennas or aerials shall be placed upon residences at a height greater than ten (10) feet above the highest point of the roof. No ham radios or radio transmission equipment shall be operated or permitted to be operated in such property. Any earth satellite signal reception equipment shall not be visible from any other property within the subdivision.

Section 28. Dwelling Size. The ground floor of the main structure exclusive of any open porches, patios (enclosed or otherwise), breeze-ways and garages, shall not be less than 1200 square feet for a one-story dwelling and not less than 750 square feet for the ground floor of a dwelling of one and one-half or two stories. Each residence shall have an enclosed garage for a minimum of two cars. No carports shall be permitted.

Section 29. Building Location. No building shall be located on any Lot nearer than 25 feet to the front Lot line or nearer than 15 feet to any side street line. No building shall be located nearer than 7-1/2 feet to an interior Lot line. No dwelling shall be located on any interior Lot nearer than 30 feet to the

rear Lot line. For the purpose of this covenant, eaves, steps and open porches shall not be considered as a part of the building; provided, however, that this shall not be construed to permit any portion of a building on a Lot to encroach upon another Lot. If there is any conflict between this covenant and zoning regulations of the proper governing authority said zoning regulations shall apply.

Section 30. Oil and Mining Operations. No oil or gas drilling, oil or gas development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot, nor shall oil or gas wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any Lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any Lot.

ARTICLE VII

GENERAL PROVISION

Section 1. Enforcement. The Homeowners Association or any Owner shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Homeowners Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. In any action for enforcement brought hereafter, the prevailing party shall be entitled to a reasonable attorneys' fee including attorneys' fees through appellate proceedings.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in nowise affect any other provisions which shall remain in full force and effect.

Section 3. Amendment. The Covenants and Restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended to successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than ninety percent (90%) of the Lot Owners, and thereafter by an instrument signed by not less than seventy-five percent (75%) of the Lot Owners. Notwithstanding the foregoing, this Declaration may be amended prior to January 1, 1988 by the Declarant as long as the Declarant is the owner of at least twenty-five percent (25%) of the Lots and so long as any such amendment is approved as provided for in Section 5 following. Additionally, Declarant reserves the right, without requirement for consent of any other party, to submit additional property to the easements, covenants, conditions and restrictions hereby imposed, with membership in the Homeowners Association provided for herein expanded to include the owners of such additional property, any property addition as hereinbefore provided shall be effective upon Declarant recording a duly executed, witnessed and acknowledged Declaration submitting such additional properties to these easements, covenants, conditions and restrictions. Any amendment must be recorded prior to becoming effective.

Section 4. Encroachments. In the event that any residential dwelling shall encroach upon any of the Common Area, Designated Tract or upon any other Lot for any reason other than the intentional act of the Owner, or in the event any Common Area or Designated Tract shall encroach upon any Lot, then an easement shall exist to the extent of the encroachment for as long as the encroachment shall exist.

Section 5. FHA/VA Approval. As long as there is a Class B membership of the Homeowners Association, the Federal Housing Administration or the Veterans Administration shall approve any amendments of this Declaration of covenants, conditions and restrictions.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has caused these presents to be executed in its name by its duly authorized officer, as of the ____ day of _____, 200__.