

This Instrument Prepared By:
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DECLARATION OF PROTECTIVE COVENANTS,
CONDITIONS AND RESTRICTIONS FOR
REGAL OAKS

THIS DECLARATION of Protective Covenants, Conditions and Restrictions for Regal Oaks, hereinafter referred to as the "Protective Covenants" is made this 30th day of June, 2000, by DIAMOND HOMES OF SOUTHWEST FLORIDA, INC., a Florida corporation, hereinafter referred to as the "Declarant".

W I T N E S S E T H :

WHEREAS, the Declarant is the owner in fee simple of that certain parcel of real property located in Manatee County, Florida, described in Exhibit "A" attached hereto and made a part hereof.

WHEREAS, the Declarant desires to create thereon a community comprised of single family residential subdivision lots together with permanent open spaces, landscaped buffer areas, and access areas for the benefit of the community; and

WHEREAS, the Declarant desires to provide for the preservation and enhancement of the property values, amenities and opportunities in said community and for the maintenance of the properties and improvements thereof and to that end desires to subject the said Property to the covenants, conditions, restrictions, charges and liens hereinafter set forth, all of which are for the benefit of said Property and all future Owners thereof; and

WHEREAS, the Declarant has incorporated REGAL OAKS HOMEOWNERS' ASSOCIATION, INC., a Florida non-profit corporation, as the entity which shall be delegated and assigned the powers and duties of owning, operating and maintaining the properties and facilities in accordance with these Protective Covenants, as well as enforcing the covenants and restrictions and collecting the assessments and charges pursuant hereto, all for the purpose of promoting the recreation, convenience, safety and welfare of the residents of REGAL OAKS;

NOW, THEREFORE, the Declarant hereby declares that the real property described on Exhibit "A" attached hereto is and shall be held, owned, sold, transferred, conveyed, and occupied subject to the terms, conditions, covenants, provisions, restrictions, easements, servitudes and liens hereinafter set forth, which shall be binding upon all persons having any right, title or interest in or to the subject real property, and their heirs, successors and assigns and shall constitute covenants running with the land.

ACCEPTED IN OPEN SESSION **SEP 19 2000**
BOARD OF COUNTY COMMISSIONERS, MANATEE COUNTY

ARTICLE I
DEFINITIONS

Section 1. "Articles" shall mean the Articles of Incorporation of REGAL OAKS HOMEOWNERS' ASSOCIATION, INC., a Florida non-profit corporation, a copy of which is attached hereto as Exhibit "B" and made a part hereof. A copy of the Bylaws of the Association is attached hereto as Exhibit "C" and made a part hereof.

Section 2. "Association" shall mean and refer to REGAL OAKS HOMEOWNERS' ASSOCIATION, INC., a Florida non-profit corporation, its successors and assigns.

Section 3. "Association Expenses" shall mean the expenses incurred by the Association in performing its duties and obligations and which are payable by the Owners to the Association for the purposes and in the manner as more particularly described and set forth in these Protective Covenants and all Exhibits thereto.

Section 4. "Association Property" shall mean all real and personal property transferred to or held by the Association for the benefit of all members. The term "Association Property" shall also include additional property acquired by the Association as further described below in the definition of "Common Area".

Section 5. "Board" shall mean the Board of Directors of the Association.

Section 6. "Common Area" shall mean those areas of real property reflected on the Final Plat of REGAL OAKS, which are dedicated to the common use and benefit of the members of the Association. The term "Common Area" is used interchangeably with the term "Association Property". The term "Common Area" and "Association Property" shall also include any personal property or real property acquired by the Association if said property is designated as "Common Property" or "Association Property" in the Bill of Sale, Deed, or other instrument transferring same or is subsequently declared by the Association or the Declarant to be Common Property or Association Property.

Section 7. "Declaration" shall mean the covenants, conditions, restrictions, easements and all other terms and provisions contained in this document, as the same may be amended from time to time. The term "Declaration" is used interchangeably with the term "Protective Covenants".

Section 8. "Declarant" shall mean and refer to the Developer, DIAMOND HOMES OF SOUTHWEST FLORIDA, INC., a Florida corporation. The term "Declarant" is used interchangeably with the term "Developer".

Section 9. "Final Plat" shall mean the plat prepared by Beta Company Surveying, Inc., which has been heretofore recorded in Plat Book 36 , Pages 89-94 , Public Records of Manatee County, Florida.

Section 10. "Institutional Mortgage" shall mean any lending institution holding a construction mortgage lien on any portion of the Property within the General Plan of Development or having a permanent mortgage lien on any of the residences located therein.

Section 11. “Lot” shall mean a separate and distinct parcel of real property depicted and referred to by Lot number on the Plat of REGAL OAKS.

Section 12. “Occupant” shall mean the person occupying a Residential Unit who is the Owner, the lessee of the owner, or the family member or guest of the owner or lessee.

Section 13. “Owner” shall mean and refer to the record owner, whether one or more persons, or entities, of the fee simple title to any Unit which is a part of the Property (including any land submitted subsequent hereto the Declaration), including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 14. “Person” shall mean a natural person, a corporation, a partnership, a trustee or any other legal entity.

Section 15. “Property” shall mean all of the real property described on the attached Exhibit “A” and any personal property subject to the Declaration, together with such additional property as may be contained in Tract A on the Final Plat annexed hereto, to the extent it is hereafter subjected to the Declaration by Supplemental Declaration or added as Association Property.

Section 16. “Rules and Regulations” shall mean the rules, regulations and policies which may be promulgated by the Board from time to time by resolution duly made and carried.

Section 17. “Supplemental Declaration” shall mean any amendment or supplement to this Declaration executed by or consented to by Declarant or its successors in interest, which subjects additional property to this Declaration and/or imposes, expressly or by reference, additional restrictions and obligations on the land described therein.

Section 18. “Transfer Date” shall mean the date the Developer relinquishes the right to appoint a majority of the members of the Board and conveys title to the Common Areas to the Association.

Section 19. “Transition” shall mean that period of time between incorporation of the Association and the Transfer Date.

Section 20. “Unit”, “Residential Unit” or “Dwelling Unit” shall mean and refer to any residential single family Lot reflected on the Final Plat attached to the Declaration as Exhibit “B” and does not include the Common Areas or Association Property.

Section 21. The use of gender is deemed to include all genders; the use of the singular includes the plural and the use of the plural includes the use of singular.

ARTICLE II
GENERAL PLAN OF DEVELOPMENT

Section 1. The Declarant intends to develop the land described on Exhibit "A" with land improvements which will accommodate a total of one hundred and twenty (120) single family Residential Units substantially in accordance with the Final Plat attached hereto as Exhibit "B" and made a part hereof.

Section 2. The Plat of REGAL OAKS, consisting of one hundred and twenty (120) single family residential subdivisions Lots has heretofore been recorded in Plat Book 36, Pages 89-94, Public Records of Manatee County, Florida.

ARTICLE III
MEMBERSHIP AND VOTING RIGHTS

Section 1. MEMBERSHIP. Every Owner, as that term is defined in Article I, shall be deemed to have either a Class A or Class B Membership in the Association, as provided in Section 2 below.

No Owner, whether one or more persons, shall have more than one Membership per unit owned (except in the case of the Class B Member). In the event the Owner of the Unit is more than one Person, votes and rights of use and enjoyment shall be as provided herein. The rights and privileges of Membership may be exercised by a Member or the Member's spouse, subject to the provisions of this Declaration and the Bylaws. The Membership may be appurtenant to and may not be separated from such ownership except as otherwise provided herein. Change of Membership in the Association shall be established by recording in the Public Records of Manatee County, Florida, a Deed or other instrument conveying record fee simple title to any Unit, and by the delivery to the Association of a copy of such recorded instrument. The Owner designated by such instrument shall, by said Owner's acceptance of such instrument, become a member of the Association, and the Membership of the prior Owner shall be terminated. In the event a copy of said ownership instrument is not delivered to the Association, said Owner shall become a Member, but shall not be entitled to voting privileges enjoyed by its predecessor in interest until such delivery is accomplished, but such Owner shall nevertheless be responsible for all obligations required of an Owner hereunder. The foregoing shall likewise not limit the Association's power or privileges to enforce Covenants and abate violations.

Section 2. MEMBERSHIP CLASSES. The Association shall have two classes of voting membership as follows:

- (A) **THE CLASS "A" MEMBERS** shall be all Owners (other than Declarant) of Units. When more than one (1) person holds an interest in any Unit, all such persons shall be members. The vote for such Unit shall be exercised as the multiple Owners may determine, but in no event shall more than on (1) vote be cast with respect to any Unit.
- (B) **THE CLASS "B" MEMBERS** shall be the Declarant (as defined in the Declaration) and shall be entitled to six (6) votes for each subdivision Lot owned. The Class "B" Membership shall cease and be converted to Class "A" Membership upon the happening of either of the following events, whichever occurs first:

- (i) When ninety percent (90%) of the Lots and/or Units have been conveyed to homeowners; or
- (ii) Upon expiration of seven (7) years from and after the date of closing on the sale of the first subdivision Lot by the Declarant.

ARTICLE IV
COVENANTS AND RESTRICTIONS

The following covenants and restrictions shall apply to all "Single Family" Lots as designated on the Final Plat, within REGAL OAKS, and to all such additional lands that may be subjected to this Declaration which may be designated as "single family" Lots. The primary purpose of these covenants and restrictions is the creation and maintenance of a community which is aesthetically pleasing as well as functionally convenient.

Section 1. USE: All Lots, parcels of land or Units within the Property may be used solely and exclusively for single family residential purposes, or for recreational purposes associated with such residential use. Nothing contained herein shall prevent an Owner from leasing a residence subject to the conditions and covenants contained in this Declaration.

Section 2. NUISANCE: No use may be made of any Lot, parcel or land or Unit within the Property which may constitute or become a nuisance to the owners.

Section 3. LAW : No use may be made of any Lot, parcel of land or Unit within the Property which violates any Federal, State, or local law, ordinance or regulation..

Section 4. ANTENNAS: There shall not be permitted or maintained any type of radio, television or other communication system antenna on any exterior portion of the structures, nor shall any such antenna be permitted or maintained inside a structure which emanates or creates radio or television reception interference with any neighboring residences. Provided however, that this provision shall not apply to the Declarant and/or the Association with respect to the installation of equipment necessary for a master antenna system, cable television system, or other similar system within the Property.

Section 5. HAZARDS: Owners may not permit or allow to persist any activity or condition upon or within any Lot, parcel of land or Unit within the Property which will result in any fire or health hazard or which results in increased insurance rates for other Owners or with respect to Common Areas. No burning of trash, refuse or garbage shall be permitted on any Lot, parcel of land or Unit within the Property.

Section 6. ANIMALS: No animals, livestock or poultry of any kind may be bred, raised or kept for commercial purposes on or in any Lot, parcel of land, or Unit within the Property. House pets may be kept, provided the same do not become a nuisance to other residents. Exposed excrement on Lots, lawns, or streets shall be considered a nuisance. All pets must be secured by a leash when the same are outside of a residence or permitted enclosed area for the maintenance or confinement of pets.

Section 7. SIGNS: No signs of any type shall be displayed to public view on any Lot, parcel of land, or Unit within the Property, except as follows:

- (A) One (1) non-illuminated ground sign of no more than four (4) feet in height nor four (4) square feet in area advertising a Lot, parcel of Land, or Unit for sale or lease;
- (B) One (1) sign of not more than one (1) square foot may be used to designate the name of the resident;
- (C) On unsubdivided parcels of land, if any, one (1) non-illuminated ground sign not exceeding eight (8) feet in height, nor an area of more than twenty-four (24) square feet may be used for advertising Lots or Units within such parcel during the construction and sales period;
- (D) On parcels of land upon which separate projects within REGAL OAKS are developed, if any, no more than one (1) identification sign may be displayed for the entryway to the parcel upon development, and any sign shall contain only the name of the development and shall be limited to a maximum of sixteen (16) square feet of lettering;
- (E) The Declarant or the Association may grant to developers and builders the authority to utilize "Model Home" signs, provided, however, any such signs shall be used only with the prior written consent of the Declarant or the Association, which consent will not be unreasonably withheld.

Section 8. UNSIGHTLY OBJECTS: Each Owner shall prevent the development of any unclean, unsightly, or unkempt conditions of structures or grounds on or about the Lot, parcel of land or Unit. No laundry, garments, or other unsightly objects may be hung outside of a dwelling, nor may any trash, rubbish, refuse or garbage be allowed to accumulate other than in appropriate receptacles which shall be hidden from view. No unsightly weeds, underbrush, or growth shall be permitted to grow or remain on any Lot or parcel, all of which shall be kept mowed and clear of debris and excessive and unsightly vegetation by the Owners thereof. Failure to maintain lawns and landscaping shall be deemed to impair the value of the other Lots, parcels of land and Units within the Property, and to be hazardous to the health and welfare of the residents. In the event of the failure of any Owner to comply with this provision upon demand by the Declarant or the Association, the Declarant or the Association may enter upon the Lot or parcel in violation and remedy the condition by mowing, removing weeds, underbrush or refuse, or by taking such other action as may be required. Such action shall be permitted and shall not constitute a trespass. The cost of such remedial actions shall be paid by the Owner, failing which the same shall become a lien on the Lot or parcel, collectible in the same manner as delinquent maintenance payments as hereinafter specified.

Section 9. WELLS: No private water wells may be drilled within the Property except by the Declarant, without the prior written approval of the Declarant or the Association..

Section 10. OBSTRUCTIONS: Owner of Lots, parcels of land, or Units may not obstruct roads or other common ways of ingress and egress or easement areas or Common Areas. No Owner may utilize any portion of the Common Areas in a manner which abridges the equal rights of the other Owners.

Section 11. PARKING: No boats, campers, mobile homes, motor homes, non-functional vehicles of any kind, or commercial vehicles, trucks, buses, vans or other such vehicles or equipment may be parked, stored, maintained, or otherwise exposed to the view of the residents on or about any Lot, Unit, parcel of land, common area, or public or private right-of-way located within the boundaries of the Property, it being the intention to permit only the parking of private automobiles/vans of residents or their guests and invitees upon driveways and the paved right-of-ways within the Property. Service vehicles during the time they are actually serving the Owners, residents, Declarant, or the Association shall not be deemed to be in violation of this provision. In the event of a dispute as to the classification or definition of a vehicle under this paragraph, the State of Florida Vehicle Registration for such vehicle shall control. The Declarant or the Association shall have the right to cause any vehicles in violation of this provision to be towed away with the costs to be borne by the vehicle owner or the violator. An Owner who permits a vehicle to be parked or stored in violation of this paragraph shall be liable for such towing costs regardless of the ownership of such vehicle.

Section 12. TEMPORARY STRUCTURES: No temporary structures or out buildings of any type shall be permitted or maintained upon any Lot or parcel of land except those utilized by contractors in connection with construction of residences thereof and permitted by the Declarant. Such permitted temporary structures may not at any time be used as residences or permitted to remain on the Property after completion of construction.

Section 13. TREES: No trees measuring six (6) inches or more in diameter at a point two (2) feet above ground level may be removed without written approval of the Declarant. Approval for the removal of the trees located within ten (10) feet of a residence or with ten (10) feet of the site for the construction thereof will be granted unless such removal will substantially decrease the beauty of the Property.

Section 14. SUBDIVIDING LOTS: No "single family" Lot shall at any time be sold or transferred other than in its entirety, as a whole Lot. The foregoing shall not, however, prevent:

(A) An Owner of a vacant Lot from conveying part of the same to one adjoining side Lot Owner and the remaining portion of the Lot to the other adjoining side Lot Owner, provided both such conveyances are made concurrently, or

(B) An Owner of two (2) or more contiguous Lots from conveying part of one (1) to an adjoining side Lot Owner, provided the ownership of the land retained shall have a frontage and total area of not less than one (1) of the whole Lots originally owned.

In the event a portion of any Lot shall once be conveyed as permitted under Subparagraphs (1) or (2) above, the portion of a Lot so conveyed and the adjoining Lot owned by the Grantee thereof shall together thereafter be deemed to constitute one (1) Lot, and in the case provided in Subparagraph (2), the portion of a Lot retained and the adjoining whole Lot shall together thereafter be further subdivided or sold, except as a single Lot.

Section 15. FENCES: No walls, fences or other vertical construction or dividing instrumentality shall be commenced, erected or maintained on any lot until plans and specifications showing the nature, kind,

shape, height, materials, and location of the same shall have been submitted to and approved in writing, as to harmony of exterior design and location in relation to surrounding structures and topography by the Developer, the Board of Directors of the Association, or a committee designated by the Board of Directors of the Association pursuant to its Bylaws. No fence shall be placed within the front building setback line. Fences are to be black vinyl chain link only and no higher than four (4) feet in height. Additionally, no portion of the rear yard of any lake front Lot shall be permitted to contain a wall, fence or other vertical construction or dividing instrumentality

Section 16. BASKETBALL APPARATUS: No permanently mounted basketball apparatus shall be erected or maintained on any lot. Portable basketball apparatus which is not affixed to the ground or the dwelling unit in any way shall be permitted subject to the requirement that any such apparatus shall be utilized only during daylight hours and shall be stored within the garage when not in use.

Section 17. UTILITIES: Each dwelling shall utilize and be connected to central water and sewerage service, provided the same are available. Each lot shall utilize and be connected to the county reclaimed water service for the purpose of operating the central irrigation system required in Section 20 of this Article. All utility lines and lead in wires, including but not limited to, electrical lines, cable television lines, telephone lines, water and sewerage lines located within the Property shall be underground. The areas reflected on the Plat of REGAL OAKS, as "Utility Easements" shall not be obstructed or modified in any manner which might interfere with the installation and maintenance of underground utility lines. The areas of such easements shall be maintained by Owner thereof and the improvements installed therein shall be maintained by the Owners of such equipment.

Section 18. DRAINAGE: No Owner may fill or grade a Lot or parcel of land to the extent that the drainage plan for REGAL OAKS or any ordinance of the County of Manatee relating to drainage will be violated, nor shall a Lot be filled or graded in a manner or to an extent that proper drainage of any adjacent Lot, parcel of Land or Unit will be adversely affected. In the event of a dispute as to whether this restriction has been violated, the Declarant or any Architectural Control Committee which may be created shall be the final authority. The slope, grade and elevation within the drainage easement area designated on the Plat of REGAL OAKS, shall not be obstructed or modified in any manner which may interfere with surface drainage within the Property.

Section 19. NATIVE VEGETATION: Lot Owners shall not remove native vegetation (including cattails) that becomes established within the wet detention ponds abutting their property. Removal includes dredging, the application of herbicide, cutting, and the introduction of grass carp. Lot owners shall address any questions regarding authorized activities within the wet detention ponds to SWFWMD, Venice Service Office, Surface Water Regulation Manager.

Section 20. BUILDING STANDARDS: All single-family residences constructed on the Single Family Lots in REGAL OAKS, shall conform to the following building standards:

- (A) The floor area of single story residences shall be a minimum of 1200 square feet for single family Lots, exclusive to open porches, lanais and garages.
- (B) All roofs shall be constructed of concrete tile, cedar shake shingles, fiber glass shingles, dimensional asphalt shake shingles with a minimum grade of 25 years, or such other materials as

may be approved by Declarant during Transition or by the Association after the Transfer Date.

(C) The exterior surfaces of residences may not be unfinished nor allowed to remain in a state of disrepair. Concrete block must be stuccoed with color or stuccoed and painted, and wood surfaces must be painted or stained, all in accordance with the color scheme which has been approved in writing by the Declarant during Transition and by the Association after the Transfer Date.

(D) Each owner of a lot on which a dwelling has been constructed for which a certificate of occupancy has been issued shall have planted and installed a sodded lawn upon all portions of the lot which are not covered by the dwelling, the driveway, the walkways, or landscaping beds. In addition, each such lot shall have installed and shall maintain a central irrigation system sufficient to support and maintain the lawn and supplemental landscaping, which irrigation system shall be connected to the county reclaimed water service as required by Section 17 of this Article.

Section 21. SETBACKS: All buildings, structures and improvements, constructed upon any lot shall comply with all governmental setback requirements, and no such improvements shall be constructed in or upon any easement areas created by the Declaration or by the Final Plat.

Section 22. DEVELOPMENT: Until such time as the Declarant and the builders and/or developer who purchase blocks of Lots and parcels of land from the Declarant have closed on the sale of all the Lots, parcels of land and Units in REGAL OAKS, neither the Owners nor their use of the Property, nor the Association, nor any provisions of this Declaration shall interfere with the Declarant's development, construction, marketing, and sale of the remaining Lots, parcels of land, or Units. The Declarant may make such use of the Property, including the Common Areas, as may facilitate such development, construction, and marketing, including, but not limited to, maintaining a sales office, showing the Property, and displaying signs. The Declarant may assign all such rights to any builder and/or developer who purchase blocks of Lots or parcels within the Property.

Section 23. REMEDIES FOR VIOLATION: In the event the Owner of any Lot, parcel of Land or Unit shall violate or attempt to violate any of the covenants and restrictions contained in Article IV of this Declaration, the Declarant, the Association, or any person or persons owning any substantial interest in any other Lot, parcel of Land, or Unit may prosecute any proceedings for the recovery of damages or for the purpose of remedying or preventing such violation against the person or persons violating or attempting to violate the restrictions. The remedies contained in this paragraph shall be construed as being cumulative of all other remedies now or hereafter provided by law. The right of the Declarant to enforce these covenants and restrictions shall be permissive in nature and there shall be no affirmative obligation to do so. Any person or entity, including the Declarant, who is successful in legal proceedings brought to enforce these covenants and restrictions shall be entitled to recover from the owner in violation all reasonable costs and expenses including attorney's fees incurred in such proceedings and on appeal.

Section 24. VARIANCES: The absolute right and discretion is hereby reserved to the Declarant during the period of Transition, and to the Association after the Transfer Date, to grant variances from the obligations to comply with any covenant or restrictions contained in this Article IV in such instances

where not to grant a variance would create a hardship and where a variance would be in keeping with the spirit and intent hereof and would not have a material adverse affect upon any neighboring Owner or the Property as a whole. Any request for such variance shall be by written application setting forth in detail the variance requested and the reasons for the request. Such variance, if approved, shall be strictly complied with by the applicant. A variance must be executed with the formalities of a deed and shall be recorded in the Public Records of Manatee County, Florida, to become effective.

Section 25. INVALIDATION: Invalidation of any one or more of the covenants and restrictions contained in this Article IV by judgment or court order or in any other-manner, shall in no way affect any of the other provisions thereof, all of which shall remain in full force and effect.

ARTICLE V **EASEMENTS**

Section 1. UTILITIES: In accordance with the reservations made on the Final Plat, the Declarant hereby reserves for itself, its successors or assigns a perpetual, nonexclusive utility easement around the perimeter of the boundary lines of each Lot and parcel in the subdivision, such easement widths to be as designated on the Final Plat of REGAL OAKS. The easement areas may be entered upon, improved, used and occupied for purposes of installing and maintaining such public utilities as the Declarant deems necessary for servicing the subdivision and Lots and parcels contained therein. Any wall, fences, paving, planting, or other improvements placed on such easements by the Owner of the Property on which the easement lies may be removed by the Declarant or its successors or assigns at the expense of such Owner if such removal is required by the owner and holder of such easement. Where a residence is built on a parcel consisting of more than one platted Lot, the said utility easement shall be deemed to run the perimeter of the whole parcel and is waived as to the original line lying within said parcel, unless utility lines or storm drainage pre-exist.

Section 2. HAZARD CONTROL: The Declarant hereby reserves for itself, its successors or assigns and the Association a perpetual, nonexclusive easement over, across, and under all Lots in the subdivision for purpose of dispensing pesticides and taking such other action as may be required or desirable to control insects and vermin and to control fires on the Property or affecting any improvements thereon. Entrance upon Property pursuant to this provision shall not be deemed to constitute a trespass.

Section 3. DRAINAGE: In accordance with the reservations made on the Final Plat, the Declarant hereby reserves for itself, its successors or assigns, and the Association, perpetual, nonexclusive easements over, across and under the areas designated on the Final Plat of REGAL OAKS, as drainage easements area, for purposes of providing and maintaining appropriate and effective drainage of the Property. Utility and/or drainage easements in the areas designated for such purposes on the Plat and the Common Areas may be granted by the Declarant or the Association to any public or private utilities as may be necessary or desirable to provide utility services to the Property and maintain appropriate drainage thereof.

In addition to being utilized for drainage purposes, the area shown on the Final Plat as "drainage easements" and "public drainage easement" may be utilized by the Association and/or Manatee County or any of its departments, for purposes of maintaining the lake(s) as shown on the Final Plat.

Section 4. VEHICULAR AND PEDESTRIAN TRAFFIC: An easement shall exist for pedestrian traffic over, through and across sidewalks, paths, walks, and other portions of the Common Areas as may be from time to time intended and designated for such purpose and use and for vehicular and pedestrian traffic over, through and across such portions of the Common Areas as may from time to time be paved and intended for such purposes. Such easements shall be for the use and benefit of the Unit Owners, the Declarant, and all those claiming by, through or under the aforesaid, provided, however, nothing herein shall be construed to give or create in any person the right to park upon any portion of the Property except such portion as may be specifically designated and assigned for parking purposes.

Section 5. RESTRICTIONS: The Declarant hereby reserves for itself and its successors and assigns and the Association a perpetual easement to enter onto the Lots in the subdivision when necessary to enforce the covenants and conditions set forth in Article IV of this Declaration. Such entry shall not constitute a trespass.

Section 6. COMMON AREAS: The Declarant hereby reserves for itself and its successors and assigns and the Association a perpetual, nonexclusive easement to enter upon the Common Areas for purposes of constructing and maintaining improvements thereto. All Owners of Lots are hereby granted a perpetual nonexclusive easement for the use of Common Areas for the purposes and in the manner for which they are intended. Such grant of easement shall not in any way be construed to grant to the public or to any owners of land outside of REGAL OAKS as set forth on the Final Plat, the right to use the Common Areas. If ingress or egress to any residence is through the Common Areas, any conveyance or encumbrance of the Common Areas is subject to each Owner's easement of ingress and egress.

Section 7. RIGHT OF ENTRY BY COUNTY: Manatee County Law Enforcement officers, health and pollution control personnel, emergency medical service personnel, and fire fighting personnel, while in the pursuit and exercise of their official duties, shall have a right of entry on all Common Areas as well as an easement for ingress and egress over and across any common driveways.

Section 8. CONSERVATION EASEMENT: The Declarant has granted unto the County of Manatee by separate written instrument recorded simultaneously herewith in the Public Records of Manatee County, Florida, a Conservation Easement pursuant to Florida Statutes 704.06 over the lands designated on Sheet 6 of the Final Plat as "Conservation Easement". Upon recordation of the Final Plat, title to the said lands shall be transferred to the Association, to be held subject to the terms of said Conservation Easement, this Declaration, the Final Plat, and all development approvals granted or to be granted to Declarant. Declarant recognizes that said lands may be subject to various federal, state, county and local rules and regulations concerning the maintenance, upkeep and preservation of said lands. Therefore, the Association shall be fully responsible for maintenance, upkeep and preservation of said lands (including but not limited to the maintenance of any improvements that may be constructed thereon, the preservation and maintenance of littoral plants, etc.), in accordance with any applicable state, county or local governmental regulations or quasi-governmental regulations. Declarant shall have no maintenance responsibilities, expressed or implied, relative to said lands, as such costs shall be a common expense and assessed to the Owners as such.

Unless permitted by the Manatee County Land Development Code, the following acts and activities are expressly prohibited within the boundaries of said Conservation Easement without the prior

consent of the County of Manatee:

- (A) Construction or placing of buildings, roads, signs, billboards, or other advertising, or other structures on or above the ground;
- (B) Construction or placing of utilities on, below or above the ground without appropriate Local, state, and federal permits or other authorizations;
- (C) Dumping or placing of soil or other substances or material as landfill or dumping or Placing trash, waste, unsightly or offensive materials;
- (D) Removal, mowing, or trimming of trees, shrubs, or other vegetation;
- (E) Application of herbicides, pesticides, or fertilizers;
- (F) Excavation, dredging, or removal of loam, peat, gravel, soil, rock, or other material substances in such manner as to affect the surface;
- (G) Surface use except for purposes that permit the land or water areas to remain in its natural condition;
- (H) Any activity detrimental to drainage, flood control, water conversation, erosion control, soil conservation, or fish and wildlife habitat preservation;
- (I) Acts or uses detrimental to such retention of land or water areas.

ARTICLE VI
UTILITY SERVICES

Utility services shall include, but not be limited to, electric power, water, reclaimed water for irrigation, sewage disposal, telephone, and cable television services.

ARTICLE VII
RIGHTS AND OBLIGATIONS OF THE ASSOCIATION

Section 1. COMMON AREA: The Association, subject to the rights of the owners as set forth in this Declaration, shall be responsible for the exclusive management and control of the Common Area and all improvements thereon (including, without limitation, furnishings and equipment related thereto and common landscaped areas and all areas contained within the surface water management system), and shall keep it in good, clean, attractive and sanitary condition, order and repair, pursuant to the terms and conditions hereof, and consistent with the approved plat and the requirements of other governmental agencies having jurisdiction.

Section 2. PERSONAL PROPERTY AND REAL PROPERTY FOR COMMON USE:

The Association, through action of its Board of Directors, may acquire, hold, and dispose of tangible and intangible personal property and real property. The Board, acting on behalf of the Association, shall accept any real or personal property, leasehold, or other property interests within the properties conveyed to it by the Declarant.

Section 3. RULES AND REGULATIONS. The Association, acting through its Board of Directors, may make and enforce reasonable rules and regulations governing the use of the properties, which rules and regulations shall be consistent with the rights and duties established by this Declaration. Sanctions may include suspension of the right to use the Common Area and any recreational facilities of the Common Area and a monetary fine not to exceed \$100 per day for each day of a continuing violation, which suspension or fine shall be imposed only upon at least 14 days notice to the person sought to be fined or suspended and upon granting such person an opportunity for a hearing before a committee of at least three members of the Association appointed by the Board who are not officers, directors, or employees of the Association, or the spouse, parent, child, brother, or sister of an officer, director, or employee of the Association. Such suspension or fine may be imposed only upon a majority vote of such committee. Any fine imposed under this paragraph shall constitute a lien upon the offending Owner's unit or units. In addition, the Association, acting through its Board of Directors, may suspend the voting rights granted to any Owner under this Declaration or the Bylaws of the Association for the nonpayment of regular annual assessments that are delinquent in excess of ninety (90) days. In addition, any contractor, subcontractor, agent or other invitee who fails to comply with the provisions of such rules and regulations may be excluded from the Property. The Board shall also have the power to seek relief in any court for violations or to abate unreasonable disturbances. Impositions of sanctions shall be as provided in the Bylaws of the Association.

The Association, through the Board, by contract or other agreement, shall have the right to enforce all applicable federal, state and local laws, ordinances and regulations to permit Manatee County, the Southwest Florida Management District or any other governmental agency having jurisdiction over the Property to enforce such entity's rules, requirements, or ordinances concerning the Property for the benefit of the Association and its members.

Section 4. IMPLIED RIGHTS AND IMPLIED OBLIGATIONS. The Association may exercise any other right or privilege given to it expressly by this Declaration or the Bylaws, and every other right and privilege which may reasonably be implied from the existence of any right or privilege given to it herein or which is reasonably necessary to effectuate any such right or privilege.

To the extent that the Declarant may choose to exercise certain rights or to perform or not to perform certain acts, all as permitted hereunder, then the Association's obligations shall be varied and altered accordingly.

ARTICLE VIII
ASSOCIATION EXPENSES; ASSESSMENTS

Section 1. ASSOCIATION EXPENSES. The costs and expenses incurred by the Association with regard to the ownership, operation, maintenance and repair of the Common Areas shall constitute Association Expenses, and all other expenses properly and reasonably incurred by the Association in performing and carrying out its duties and obligations as specified in this Declaration shall constitute Association Expenses.

Section 2. CREATION OF ASSESSMENTS. All Association Expenses and other expenses set forth in Section 3 below, shall be shared by the Unit Owners and shall be payable to the Association as hereinafter more specifically set forth.

There is hereby imposed upon each Residential Unit and its Owner, as hereinafter more specifically set forth, the affirmative covenants and obligations to pay to the Association, and upon the Association an obligation to assess, collect and expend, the Association's Expenses and those expenses hereinafter set forth:

- (A) All taxes levied or assessed upon the Common Area, by any and all taxing authorities, including all taxes, charges and assessments, liens for public improvements, special charges and assessments; and in general, all taxes on personal property and improvements which are now and which hereafter may be placed in the Common Area, including any interest, penalties, and other charges which may accrue on such taxes.
- (B) All charges levied for utility services to the Common Areas, whether supplied by a private or public firm, including without limitation, all charges for water, gas, electricity, telephone, sewer and any other type of utility or service charge.
- (C) The premiums on any policy or policies of insurance required under Article XII hereof, together with the costs of such other policies of insurance as the Board, with the consent of a majority of the Owners, shall determine to be in the best interest of the Association.
- (D) The cost to the Association of purchasing adequate fidelity insurance or bonds to protect against dishonest acts on the part of officers, directors, trustees, agents and employees of the Association and all other persons who operate or are responsible for operating the Association.
- (E) All expenses reasonably incurred in maintaining, preserving, repairing, and replacing Common Area and facilities.
- (F) All sums necessary to repair, replace, construct or reconstruct buildings or improvements located in the Common Area.
- (G) The costs of administration for the Association, including any secretaries, bookkeepers, attorneys and other employees or independent contractor necessary to carry out the obligations and covenants of the Association under the Declaration, notwithstanding the fact that some of these services may be expanded in providing services to collect sums owed by a particular

Owner. In addition, the Association may retain a managing company or contractors to assist in the operation of REGAL OAKS and to perform or assist in the performance of certain obligations of the Association hereunder. The fees or costs of any management company or contractor so retained shall be deemed to be part of the Association's expenses.

(H) The cost to the Association to indemnify and save harmless the Declarant from and against any and all claims, suits, actions, damages and/or causes of action arising from any personal injury, loss of life and/or damage to property in or about the Common Areas, if any, and from and against all costs, counsel fees, paralegal or legal assistant fees, expenses, or liabilities incurred incident to such claims, the investigation thereof, or the defense thereof at any level. Included in the foregoing indemnification provision are any expenses Declarant may incur incident to any suit brought against any party or entity for the purpose of compelling specific enforcement of the provisions, conditions, covenants and restrictions contained in the Declaration, including, but not limited to the provisions requiring payment of assessments to cover Association Expenses. Further, the cost of the Association indemnifying its officers and the members of the Board for all costs and obligations and functions hereunder. Nothing in the provisions of this subparagraph shall require any Institutional Mortgage to pay any Association Expenses or portion thereof attributable to costs of the Association to indemnify and save harmless Developer in accordance with such paragraph. Any such Association Expense shall be real located amongst the Owners other than the Institutional Mortgages.

(I) The costs of establishing an adequate reserve fund for replacement and/or capital refurbishment of the Common Area (the "Capital Contributions") in amounts determined proper and sufficient by the Board. Each Owner understands and agrees that Capital Contributions are the exclusive property of the Association as a whole, and that no Owner shall have any interest, claim or right to any such Capital Contributions or funds comprised of the same. The Association shall be responsible for maintaining Capital Contributions in a separate reserve account and to use such funds only for capital costs and expenses as aforesaid.

(J) Any special assessments that may be levied to defray extra-ordinary items of Association Expenses other than those contemplated to be paid by Capital Contributions and all other costs and expenses determined by the Board to be reasonable and necessary in carrying out and accomplishing the purposes, duties and obligations of the Association and which are not inconsistent with the Declaration, the Articles of Incorporation, or the Bylaws of the Association, which Bylaws are attached hereto as Exhibit "D" and made a part hereof.

ARTICLE IX **DETERMINATION OF ASSESSMENTS**

Section 1. COMPUTATION OF ASSESSMENTS. The Board of Directors of the Association shall prepare an estimated annual budget, as required by the Bylaws of the Association, which shall reflect the estimated Association Expenses for the next succeeding year. The assessment to be levied for the coming year against each Unit subject to assessment shall be computed by dividing the budgeted common expenses by the total number of Units, but taking into account the Units containing a completed Dwelling Unit and the number of Lots that do not yet contain a completed Dwelling Unit.

Section 2. DECLARANT OBLIGATION FOR ASSESSMENT AND EXCESS EXPENSES:

During the Transition, the Declarant shall have no obligation to pay assessments on Units which it owns, whether such Units are original inventory or have been required by Declarant, or whether such Unit is a vacant Lot or has situated upon it a completed dwelling unit. However, during Transition, the Developer shall pay any operating expenses incurred that exceed the assessments receivable from other Unit Owners and from other income of the Association.

Section 3. ADJUSTMENTS. Adjustments shall be made in assessments as may be required from time to time to allow for any changes in the amount of Association Expenses.

Section 4. DUE DATES. Assessments shall be payable by Owners to the Association annually in advance on the fifteenth (15th) day of December or at such other time which shall be determined by the Board.

ARTICLE X
LIENS FOR ASSESSMENTS

Section 1. GENERALLY. All assessments for Association Expenses, including special assessments for same, and all installments thereof (collectively, the "assessments"), with interest thereon and costs of collection, including reasonable attorney's fees at trial level, appellate level or otherwise, together with paralegal and legal assistant fees, are hereby declared to be a charge and a continuing lien upon the Unit against which such assessments are made. Each assessment against a Unit, together with such interest thereon at the highest rate allowed by law costs of collection thereof, including attorney's fees, paralegal and legal assistant fees, shall be the personal obligation of the person, persons or entity owning the Unit assessed. Said lien shall be effective only from and after the time of recordation amongst the Public Records of Manatee County, Florida, of a written acknowledged statement by the Association setting forth the amount due to the Association as of the date the statement is signed. Upon full payment of all sums secured by such lien and costs and fees accrued, the party making payment shall be entitled to a recordable Satisfaction of Lien. When any first mortgagee obtains title to a Unit as a result of a foreclosure of a mortgage or a deed (or assignment) is given in lieu of foreclosure, such acquirer of title, his successors and assigns, shall not be liable for the share of assessments pertaining to such unit or chargeable to the former Owner which became due prior to the acquisition of title as a result of the foreclosure or deed in lieu of foreclosure, unless such share is secured by a Claim of Lien for assessments and recorded prior to the recordation of the subject mortgage. Such unpaid share of assessments for which a claim of lien has not been recorded prior to the recording of the foreclosed mortgage or deed given in lieu of foreclosure shall be deemed to be assessments collectable from all other Units, as the necessity may arise in the discretion of the Board. The lien of any assessments shall be subordinate to the lien of any first mortgage and mortgagees shall not be required to collect assessments.

Section 2. OWNER DEFAULT. In the event any Owner shall fail to pay assessments or any installment thereof charged to his Unit within fifteen (15) days after the same becomes due, the Association, through its Board, shall have all of the following remedies to the extent permitted by law, which remedies shall be in addition to those provided elsewhere in this Declaration, the Bylaws of the Association, or at law:

(A) To advance on behalf of said defaulting Owner funds to accomplish the needs of the Association. The amount or amounts of money so advanced, including attorney's fees, paralegal and legal assistant fees, and expenses which might have been reasonably incurred because of or in connection with such advance, including costs and expenses 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 constitute a waiver of any remedy of the Association against such defaulting Owner.

In addition to, and without limiting the foregoing, in the event that the Association does not have adequate funds to meet its expense obligations and Developer has met its obligations under Article IX, Section 2, then Developer is authorized but not obligated to loan the Association sufficient funds to meet its expenses. Any amounts of loan shall bear interest at the rate of twelve (12%) percent per annum, and at Developers option shall be secured by a lien upon the common areas. The Association shall pay all costs of preparation costs, including attorney's fees for the loan documents.

(B) To file an action in equity to foreclose its lien at any time after the effective date thereof. The lien may be foreclosed by an action in the name of the Association in a like manner as the foreclosure of a mortgage on real property.

(C) To file an action at law to collect said assessments, plus interest at the highest rate allowable by law plus court costs, without waiving any lien rights and/or rights of foreclosure by the Association.

(D) Accelerate any remaining installments of the delinquent assessment upon notice to the Member of the unpaid balance of the assessment.

Section 3. NOTICE TO MORTGAGEES. The Association shall notify, in writing, the holder of a first mortgage encumbering a Unit of any default in the payment of any assessments against said Unit where said default shall continue for a period of thirty (30) days after the date upon which it was due and payable; provided, however, notice of such default need only be given where the holder of a first mortgage has notified the Association, in writing of the existence thereof, such notice to include the name and address of the mortgagee.

ARTICLE XI **INSURANCE**

Section 1. LIABILITY: The Association shall obtain and maintain Public Liability Insurance in such amounts and with such coverage as shall be required by the Board of Directors of the Association, with cross liability endorsements to cover liabilities of the Owners as a group to an individual Owner. Such insurance shall insure the Association and its members for liability resulting from use of any Common Area. All such policies shall name the Association (and the Declarant until the Transfer Date) as their respective interests may appear, as the insured under such policy or policies.

Section 2. FIDELITY BONDS: The Association shall obtain Fidelity Bonds covering officers, directors, employees and other persons who handle or are responsible for handling Association funds.

Such bonds shall be in an amount equal to at least one hundred fifty percent (150%) of three (3) months operating expenses, and the amount in reserve as of the end of each fiscal year of the Association, and shall contain waivers of any defense based upon the exclusion of persons serving without compensation.

Section 3. DIRECTOR'S LIABILITY: The Association shall obtain and maintain Director's Liability Insurance in such amounts as may from time to time be deemed to be appropriate by the Directors of the Association.

Section 4. WORKMEN'S COMPENSATION: The Association shall carry such Workmen's Compensation insurance as may be required by law and any other insurance as the Board of Directors may determine to be desirable from time to time.

Section 5. GENERAL PROVISIONS:

- (A) All insurance shall be issued by a company authorized to do business in the State of Florida.
- (B) Premiums on policies shall be issued by a company authorized to do business in the State of Florida.
- (C) Insurance policies shall be available for inspection by Unit Owners or their authorized representatives at reasonable times at the office of the Association.

ARTICLE XII
RECONSTRUCTION AND REPAIR AFTER CASUALTY

If any part of the Common Area is damaged by casualty, such damage shall be reconstructed or repaired, unless the Association determines that such reconstruction or repair should not occur due to some equitable consideration. It is the intent of this provision that the overall plan of quality of REGAL OAKS be maintained by requiring damaged Property to be rebuilt or repaired and that unsightly and dangerous conditions be remedied as soon as practicable.

Any reconstruction and repair must be substantially in accordance with the plans and specifications for such Property as originally constructed, or if none, then according to plans and specifications recommended by the Architectural Review Committee and approved by the Board of Directors.

ARTICLE XIII
AMENDMENT

Prior to the Transfer Date, this Declaration may be amended unilaterally by the Declarant or by the affirmative vote (in person or by alternate) or the written consent, or any combination thereof, of at least 75% of the total votes of the Association, including 75% of the votes held by the Members other than the Declarant, and the consent of the Declarant. After the Transfer Date, this Declaration may be amended by the affirmative vote (in person or by alternate) or the written consent, or any combination thereof, of at least 75% of the total votes of the Association. Provided, however, the percentage of votes necessary to amend a specific clause of this Declaration shall not be less than the prescribed percentage of affirmative

votes required for action to be taken under that clause. Any amendment must be recorded in the Public Records of Manatee County, Florida to be effective.

If an Owner consents to any amendment to this Declaration or the Bylaws, it will be conclusively presumed that such Owner has the authority to so consent and no contrary provisions in any mortgage or contract between the Owner and a third party will affect the validity of such amendment.

ARTICLE XIV
SALE, MORTGAGE, ANNEXATION

Section 1. SALE, MORTGAGE: The Common Areas may not be sold, transferred or conveyed nor may the same be mortgaged or otherwise encumbered without the consent of at least two-thirds (2/3rds) of the Owners, excluding Declarant.

Section 2. ANNEXATION: For so long as there remains a "Class B" Membership in the Association, annexation of additional properties, i.e., properties not reflected on the Final Plat attached hereto as Exhibit "B", or dedication of additional Common Areas and amendment of this Declaration of Protective Covenants, Conditions and Restrictions shall require the prior approval of the Departments of Housing and Urban Development and the Veteran's Administration of the United States.

ARTICLE XV
ARCHITECTURAL REVIEW

REGAL OAKS is intended to be a development of a variety of different and distinct types of residential dwellings. However, it is in the common interest of all Unit Owners that residences be constructed which are aesthetically pleasing, structurally sound, and in compliance with the provisions of this Declaration. Therefore, in order to give affect to these purposes, the following architectural review and approval procedures shall apply to all dwellings constructed within the platted boundaries of the Property.

Section 1. ARCHITECTURAL REVIEW COMMITTEE: For purposes of carrying out the architectural review process, there is hereby established an Architectural Review Committee. The Architectural Review Committee shall consist of not less than three (3) nor more than five (5) members, and shall initially consist of three (3) members. Each member of the Architectural Review Committee shall be appointed by the Board of Directors of the Association. Members of the Architectural Review Committee shall serve for terms established by the Board of Directors. Anything herein contained to the contrary notwithstanding, however, until such time as the Declarant transfers control of the Association to the Unit Owners, the Declarant or the Declarant's appointed representative or representatives shall serve as the Architectural Review Committee. After control of the Association has been transferred by the Declarant to the Unit Owners, no more than one member of the Board of Directors may serve at any one time on the Architectural Review Committee. The establishment of the number of members, method of selecting a chairman and other similar provisions for composition of the Architectural Review Committee shall be as determined from time to time by the Board of Directors.

Section 2. ARCHITECTURAL STANDARDS: The Architectural Review Committee may, from time to time, adopt and promulgate architectural standards for REGAL OAKS. The architectural standards

may not be contrary to the provisions of this Declaration or the Bylaws and shall be consistent with the original architectural, structural, aesthetic and environmental concept and the original development of the Property. All architectural standards shall be adopted and applied on a uniform basis, and may be revised or expanded from time to time in recognition of new materials, construction techniques, rules and regulations of governmental authorities, and laws of the State of Florida.

Section 3. WHEN REVIEW REQUIRED: Architectural review shall be required in the following circumstances:

- (A) New Construction: Prior to commencement of construction of a new residence of any new improvements;
- (B) Maintenance: Whenever any Owner proposes to maintain or repair the improvements on a Lot or Unit in any manner that will result in the application or use of materials of a significantly different type, shape, color or quality than those originally used on the structure and the improvements thereon;
- (C) Reconstruction: Whenever any Owner proposes to construct improvements after the improvements on a Lot or Unit have been substantially damaged or destroyed, in whole or in part, by casualty or otherwise.

Section 4. PROCEDURE: When the Architectural Review Committee has established architectural standards approving certain colors, material, decorative or other items of routine maintenance, repair or minor improvements, the Owner may comply with such standards without further approval. In all other situations, the Owner shall submit to the Architectural Review Committee a written application setting forth plans, colors, materials and other specifications for the activity for which architectural review is required. The Architectural Review Committee shall, within fifteen (15) days after receipt of such application and additional information, either approve or disapprove, or approve in part and disapprove in part, the application. Failure of the Committee to respond within said fifteen (15) day period shall be deemed to constitute approval of the plans. The Committee shall specify its reasons for disapproval and annotate its decision by reference to architectural approval, where required.

Section 5. APPEAL: Any Owner aggrieved by a decision of the Architectural Review Committee may appeal that decision in whole or in part, to the Board of Directors of the Association. Such appeal shall be initiated by filing a Notice of Appeal in writing with the Board of Directors specifying the portions of the decision appealed. Such Notice shall be filed not later than ten (10) days after the date on which the decision of the Architectural Review Committee is made. Upon receipt of such appeal, the Board of Directors shall schedule a hearing on such matter within thirty (30) days, at which it may affirm, reverse, or modify the decision of the Architectural Review Committee. For the purposes of this provision, an aggrieved party may be the Owner applicant or any three (3) or more of the Owners. The decision of the Board of Directors shall be final.

Section 6. RULES AND REGULATIONS; FEES: The Architectural Review Committee may adopt reasonable rules and regulations for the conduct of its authority. The Board may establish reasonable fees for architectural review. In no event shall the maximum fee for any form of review exceed the sum of \$50.00.

Section 7. DECLARANT EXEMPT: Notwithstanding anything hereinabove to the contrary, Declarant is exempt from all of the provisions of this Article XV.

ARTICLE XVI
DURATION

Section 1. TERM: This Declaration of Protective Covenants and Restrictions shall run with the land and shall be binding on all Owners and all persons claiming under them for a period of thirty (30) years from the date of recording hereof, after which time the same shall be automatically extended for successive periods of twenty-five (25) years unless an agreement to terminate said covenants in whole or in part is signed by two-thirds (2/3rds) of the then Owners of the then existing Lots and Units within the Property and recorded in the Public Records of Manatee County, Florida.

Section 2. DEDICATION UPON TERMINATION: The Association shall not be dissolved, nor shall the Association dispose of any Common Area, by sale or otherwise, except to an organization conceived and organized to own, maintain, and operate same, without first offering to dedicate the same to the County of Manatee or other appropriate governmental agency.

Section 3. TERMINATION: If this Declaration is terminated in accordance herewith, it is hereby declared by the Declarant, and each and every Owner of a Unit by acquiring title to a Lot or Unit covenants and agrees that the termination documents shall require:

- (A) That all single family Lots and Units shall continue to be used solely as family residences.
- (B) In the event the dedication specified in Section 2 above is not accepted by Manatee County, upon termination, all Common Areas shall be owned and held in equal shares by the Owners as Tenants in Common.

ARTICLE XVII
COMPLIANCE WITH MANATEE COUNTY LAND DEVELOPMENT CODE

Notwithstanding any provisions of this Declaration or the Exhibits hereto to the contrary, the Declarant, the Association and all Owners in REGAL OAKS shall comply with all of the terms and provisions of Manatee County Ordinance 81-4, as amended from time to time, which ordinance is incorporated herein by reference. If the Association shall fail to maintain the Common Property, then Manatee County shall have the right to maintain the same under and in accordance with the provisions of Section 205G.3.d (6) of the Manatee County Comprehensive Zoning and Land Development Code, as amended from time to time, which provisions are incorporated herein by reference.

Without limiting the foregoing, the following provisions shall apply:

- (A) A right of entry upon the Common Area is hereby granted to Manatee County law enforcement officers, health and pollution control personnel, emergency service personnel and fire fighting personnel while in pursuit of their duties.

(B) Notwithstanding anything herein contained to the contrary, the Association shall not be dissolved, nor shall the Association dispose of any Common Area by sale or otherwise except to an organization conceived and organized to own and maintain the Common Areas, without first offering to dedicate the same to Manatee County or other appropriate governmental agency.

(C) No lands in Common Area shall be denuded, defaced or otherwise distributed in any manner at any time, except for maintenance or repair, without first offering to dedicate the same to Manatee County or other appropriate governmental agency.

(D) In the event the Association or any successor organization shall fail to maintain the Common Area in reasonable order and condition, the provisions of the Manatee County Land Development Code allow Manatee County, upon notice and hearing, to enter upon the Common Area for purposes of maintaining same. Such entry shall not affect a transfer of such maintenance responsibility to the County, but rather, each Unit Owner shall be responsible for the cost of such maintenance and such cost shall be assessed pro-rata against the Lots and shall be a charge on the Lots. Such charges shall be paid by the Unit or Lot Owners within 60 days of the receipt of the statement therefore and shall become a lien on the property if not paid at the end of such period.

(E) Notwithstanding any other provisions of this Declaration, no violation of federal, state or local law shall be permitted.

(F) Notwithstanding any other provisions of this Declaration relating to amendments, neither this Article XVIII nor any provisions of this Declaration affecting this Article XVIII may be amended without the written consent of Manatee County.

(G) Each Owner shall plant within twenty-five (25) feet of the right-of-way of each local street within Regal Oaks prior to Certificate of Occupancy, one canopy tree meeting the requirements of Section 715.10.5 of the Manatee County Land Development Code for every fifty (50) linear feet, or substantial fraction thereof, of right-of-way. None of these required trees shall be planted within a public or private utilities easement.

The trees shall be spaced no closer together than twenty-five (25) feet, unless a decorative grouping or alternative method is chosen. Existing native trees should be used to fulfill these requirements wherever they meet the spacing and size requirements of this paragraph. Palm trees may be utilized, when grouped at least two (2) together to count as one (1) canopy tree. Responsibility for installation and maintenance is that of each Owner. In the event a street tree dies or is removed, the Owner of the lot is responsible to replace the tree within 30 days.

ARTICLE XVIII
SEVERABILITY

The invalidity in whole or in part of any covenants or restriction, or of any section, subsection, sentence, clause, phrase or word, or other provisions of this Declaration or of the Articles of Incorporation, Bylaws, or Rules and Regulations of the Association shall not affect the validity of the remaining portions.

ARTICLE XIX
MISCELLANEOUS

Section 1. COMPLIANCE. Every owner and occupant of every unit, and all members of the Association, their guests and invitees, shall comply with all lawful provisions of this Declaration and the ByLaws and Rules and Regulations of the Association. Failure to comply shall be grounds for an action to recover sums due, for damages or injunctive relief, or for any other remedy available at law or in equity, maintainable by the Declarant, the Association, or, in a proper case, by any aggrieved Unit Owner or Owners. The right of the Declarant to enforce the Declaration, ByLaws or Rules and Regulations shall be permissive in nature, and there shall be no affirmative obligation to do so. Any person or entity, including the Declarant, who is successful in legal proceedings brought to enforce the aforesaid instruments shall be entitled to recover all reasonable costs and expenses, including attorney's fees incurred in such proceedings, and on appeal.

Section 2. LAKE BANK MAINTENANCE. The rear property lines of several of the Lots in the Subdivision abut or approach the top of the bank of a lake. Therefore, to the rear of each of such Lots, there may now exist, or may hereafter exist, a portion of common area leading down to the lake. For purposes of this Paragraph, such property is called "Lake Bank" property. The maintenance of the Lake Bank property shall be as follows:

- (A) The Declarant shall have the option at its sole discretion, to maintain the Lake Bank property. If Declarant chooses to maintain the Lake Bank property, then Declarant may at anytime thereafter choose to cease maintaining said area. At no time shall Declarant be under any obligation to maintain said area.
- (B) If Declarant chooses not to maintain said Lake Bank property, then the Association shall be required to maintain same, until such time as the Lot that abuts the Lake Bank property is sold or transferred to an Owner other than Declarant.
- (C) At such time as Declarant transfers title to a Lot that abuts Lake Bank property, then at such time the Owner shall begin to maintain the Lake Bank property between the lake and said Owner's rear Lot line.
- (D) To the extent that the Declarant, Association or an Owner maintains the Lake Bank property, then ingress and egress easement for said maintenance purposes shall exist in favor of said entity or persons. Maintenance of said area shall be strictly limited to mowing or trimming the grass and vegetation of the Lake Bank property, and no planting or other improvements will be allowed on said Lake Bank property.

**ARTICLE XX
ADDITIONAL EXHIBITS**

The following additional exhibits are attached hereto and made a part hereof:

1. Exhibit "D": Notice to Buyers
2. Exhibit "E": Maintenance Program for Regal Oaks Subdivision
3. Exhibit "F": Regal Oaks Subdivision List of Holdings
4. Exhibit "G": Fiscal and Budgetary Information Respecting Regal Oaks Subdivision

IN WITNESS WHEREOF, the undersigned has caused these presents to be signed in its name by its corporate office and its corporate seal affixed hereto this 30th day of June, 2000.

Signed, sealed and delivered
delivered in the presence of:

DIAMOND HOMES OF SOUTHWEST
FLORIDA, INC., a Florida corporation

Julie R. Johnson
Print Name: Julie R. Johnson

Toneen M. Slimick
Print Name: Toneen M. Slimick

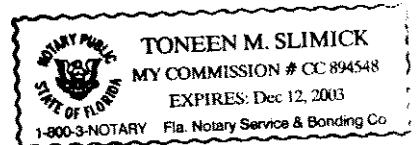
By: Michael J. Johnson
Michael J. Johnson, as President
PO Box 24238
Sarasota, FL 34276

STATE OF FLORIDA
COUNTY OF SARASOTA

The foregoing instrument was acknowledged before me this 30th day of June, 2000, by Michael J. Johnson, as President of Diamond Homes of Southwest Florida, Inc., a Florida corporation, who [] is personally known to me, or who [] has produced personally known as identification.

Toneen M. Slimick
Printed Name: TONEEN M SLIMICK
Notary Public for the State of Florida

My commission expires:



clients/-re/2026-regal oaks/ declaration of protective covenants



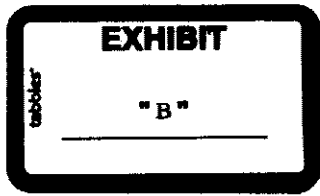
BK 1649 PG 3016 25 of 50

LEGAL DESCRIPTION

THE NE1/4 OF THE NE1/4 OF SECTION 20, TOWNSHIP 35 SOUTH, RANGE 18 EAST, MANATEE COUNTY, FLORIDA.

BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE N.W. CORNER OF THE N.E. 1/4 OF THE N.E. 1/4 OF SECTION 20, TOWNSHIP 35 SOUTH, RANGE 18 EAST; THENCE S.89°38'26"E. A DISTANCE OF 1328.89 FEET ALONG THE SOUTH LINE OF THE SE1/4 OF SAID SECTION 17 ALSO BEING THE SOUTH LINE OF GARDEN LAKES ESTATES, PHASES 7B-7G AS RECORDED IN PLAT BOOK 28, PAGE 22 OF THE PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA TO THE N.E. CORNER OF SAID SECTION 20; THENCE S.00°29'31"E. A DISTANCE OF 1330.65 FEET ALONG THE EAST LINE OF THE N.E. 1/4 OF THE N.E. 1/4 OF SAID SECTION 20 TO THE S.E. CORNER OF THE N.E. 1/4 OF THE N.E. 1/4 OF SAID SECTION 20; THENCE N.89°22'54"W. A DISTANCE OF 1351.10 FEET ALONG THE SOUTH LINE OF THE N.E. 1/4 OF THE N.E. 1/4 OF SAID SECTION 20 TO THE S.W. CORNER OF THE N.E. 1/4 OF THE N.E. 1/4 OF SAID SECTION 20; THENCE N.00°27'52"E. A DISTANCE OF 1324.40 FEET ALONG THE WEST LINE LINE OF THE N.E. 1/4 OF THE N.E. 1/4 OF SAID SECTION 20 ALSO BEING THE EAST LINE OF A PARCEL PER O.R. BOOK 951, PAGE 420 TO THE POINT OF BEGINNING.



H00000033111

ARTICLES OF INCORPORATION

OF

REGAL OAKS HOMEOWNERS' ASSOCIATION, INC.
A Florida Non-Profit Corporation

In compliance with the requirements of Chapter 617, Florida Statutes, as amended, the undersigned, all of whom are of full age, have this day voluntarily associated themselves together for the purpose of forming a Non-Profit corporation, and do hereby certify that:

ARTICLE I

NAME

The name of the corporation is REGAL OAKS HOMEOWNERS' ASSOCIATION, INC., hereinafter called the "Association".

ARTICLE II

ADDRESS

The street address of the initial principal office of the Association is 4441 South Tamiami Trail, Suite B, Sarasota, Florida 34231, and the mailing address of the Association is PO Box 21238, Sarasota, FL 34276.

ARTICLE III

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 residential lots and dwellings and Common Areas within that certain tract of property described on Exhibit "A" attached hereto to enforce the "Declaration of Protective Covenants, Conditions and Restrictions for "REGAL OAKS", and to promote the health, safety and welfare of the residents within the above described property, and for these purposes 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 Protective Covenants, Conditions and Restrictions for REGAL OAKS, hereinafter called the "Declaration", applicable to the property and recorded or to be recorded in the Office of the Clerk of the Circuit Court, Manatee 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 of, 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 business of the

OK 1649 PG 3017 26 of 50

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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 assent of two-thirds (2/3rds) 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 (2/3rds) of each class of members, agreeing to such dedication, sale, or transfer;

F. Participate in mergers and consolidations with other non-profit corporations organized for the same purposes or annex additional residential property and Common Area, provided that any such merger, consolidation, or annexation not specifically authorized in the Declaration shall have an assent of two-thirds (2/3rds) of each class of members and shall require prior approval of the Department of Housing and Urban Development/Veterans Administration as long as the Class B membership exists;

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 IV

MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided fee interest in any Unit which is subject to the Declaration; 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 any and may not be separated from ownership of any Unit. Membership is appurtenant to and inseparable from ownership of the Unit.

ARTICLE V

VOTING RIGHTS

The Association shall have two classes of voting membership as follows:

(A) **THE CLASS "A" MEMBERS** shall be all Owners of Units shall be entitled to one (1) vote for each Unit owned. When more than one (1) person holds an interest in any Unit, all such persons shall be members. The vote for such Unit shall be exercised as the multiple

BK 1649 PG 3018 27 of 50

Owners may determine, but in no event shall more than one (1) vote be cast with respect to any one Unit.

(B) THE CLASS "B" MEMBERS shall be the Declarant (as defined in the Declaration) and shall be entitled to six (6) votes for each subdivision Lot owned. The Class "B" Membership shall cease and be converted to Class "A" Membership upon the happening of either of the following events, whichever occurs first:

(i) When ninety percent (90%) of the Lots and/or Units have been conveyed to homeowners, or

(ii) Upon expiration of seven (7) years from and after the date of closing on the sale of the first subdivision Lot by the Declarant.

ARTICLE VI

DIRECTORS

A. The affairs of the Association will be managed by a Board consisting of not less than three (3) nor more than five (5) directors. After the Declarant elects to divest control of the Association, directors must be members of the Association.

B. Directors of the Association shall be elected at the annual meeting of the membership in the manner described in the Bylaws. Directors may be removed and vacancies on the Board of Directors shall be filled as provided in the Bylaws.

C. The first election of directors shall not be held until thirty (30) days after the Declarant has closed the sales of ninety percent (90%) of the Residential Units contemplated by the Final Plat of REGAL OAKS, or five (5) years after the recording of Plat, or Declarant elects to terminate its control of the Association, whichever shall first occur. The directors named in these Articles shall serve until the first election of directors, and any vacancies in their number occurring before the first election shall be filled by the remaining directors.

D. The names and addresses of the members of the first Board of Directors who shall hold office until their successors are elected and have qualified, or until removed, are as follows:

Michael J. Johnson	PO Box 21238 Sarasota, Florida 34276
Marie Cole	PO Box 21238 Sarasota, Florida 34276
Edward L. Terry	PO Box 21238 Sarasota, Florida 34276

ARTICLE VII**OFFICERS**

The affairs of the Association shall be administered by the Officers designated in the Bylaws. The officers shall be elected by the Board of Directors at its first meeting following the annual meeting of the members of the Association and shall serve at the pleasure of the Board of Directors. The names and addresses of the officers who shall serve until their successors are designated by the Board of Directors are as follows:

Michael J. Johnson President	PO Box 21238 Sarasota, Florida 34276
Marie Cole Secretary	PO Box 21238 Sarasota, Florida 34276
Marie Cole Treasurer	PO Box 21238 Sarasota, Florida 34276

ARTICLE VIII**DISSOLUTION**

The Association may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3rds) 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 acceptance of such dedication is refused, such assets shall be granted, conveyed, and assigned to any nonprofit corporation, association, trust, or other organization to be devoted to such similar purposes. This procedure shall be subject to court approval on dissolution pursuant to Florida Statute Chapter 617.

ARTICLE IX**BYLAWS**

The Bylaws of the Association shall be adopted by the Board of Directors and may be altered, amended, or rescinded in the manner provided by the Bylaws.

ARTICLE X

DURATION

The corporation shall exist perpetually.

ARTICLE XI

AMENDMENTS

Amendments to the Article of Incorporation shall be proposed and adopted in the following manner:

A. Notice of the subject matter of a proposed amendment may be included in the notice of any meeting at which a proposed amendment is considered.

B. A resolution approving a proposed amendment may be proposed either by the Board of Directors or by the members of the Association. Members present in person or by proxy at the meeting considering the amendment may express their approval in writing, providing such approval is delivered to the Secretary at or prior to the meeting. Except as elsewhere provided, approval of a proposed amendment must be by not less than a two-thirds (2/3rds) vote of the total number of voting interests of the Association.

C. Provided, however, that no amendment shall make any changes in the qualifications of membership nor the voting rights of members without approval in writing by all members, and joinder of all record owners of mortgages upon the Units. No amendment shall be made that is in conflict with the Declaration of Protective Covenants, Conditions and Restrictions for REGAL OAKS or the laws of Florida.

ARTICLE XII

INCORPORATORS

The name and address of the Incorporator of these Articles of Incorporation are as follows:

Michael J. Johnson PO Box 21238
Sarasota, Florida 34276

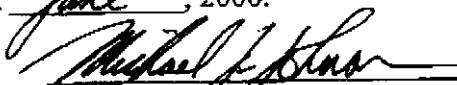
ARTICLE XIII

REGISTERED AGENT

The street address of the initial registered office of the Association shall be 4441 South Tamiami Trail, Suite B, Sarasota, Florida 34231, and the initial registered agent at said address shall be Michael J. Johnson.

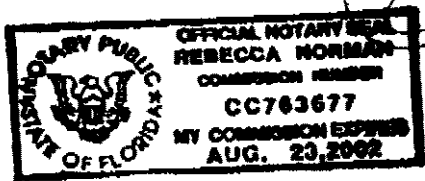
BK 1649 PG 3021 30 of 50

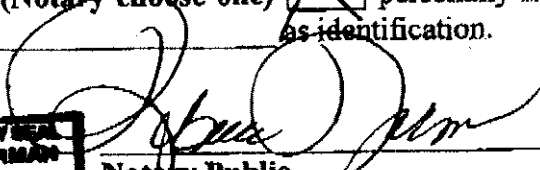
IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Florida, the undersigned, constituting the Incorporator of this Association, has executed these Articles of Incorporation this 20 day of June, 2000.


Michael J. Johnson

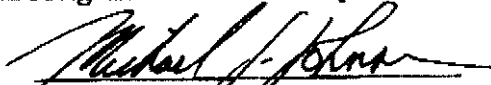
**STATE OF FLORIDA
COUNTY OF SARASOTA**

The foregoing instrument was acknowledged before me this 20th day of June, 2000, by Michael J. Johnson, who is (Notary choose one) personally known to me, or who has produced _____ as identification.



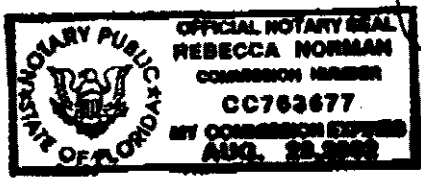

Notary Public
Print Name: Rebecca Norman
My Commission Expires:

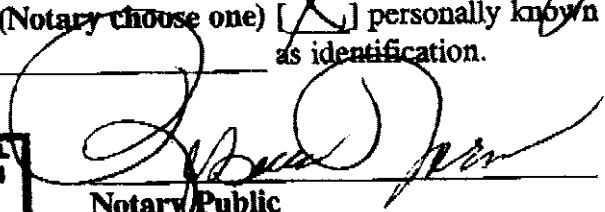
Having been named Registered Agent to accept service of process for REGAL OAKS HOMEOWNERS' ASSOCIATION, INC., at the registered office designated in the Articles, I hereby agree to comply with the provisions of all statutes relative to the proper and complete performance of my duties, and I accept the duties and obligations established by the Florida Statutes.


Michael J. Johnson

**STATE OF FLORIDA
COUNTY OF SARASOTA**

The foregoing instrument was acknowledged before me this 20th day of June, 2000, by Michael J. Johnson, who is (Notary choose one) personally known to me, or who has produced _____ as identification.




Notary Public
Print Name:
My Commission Expires:

SWD:lvf-re\2026-regal oaks\articles of incorporation

BK 1649 PG 3022 31 of 50

TEL:(941) 747-0499
FAX:(941) 747-6760



1926 14 STREET WEST
BRADENTON, FL 34206

Exhibit "A"

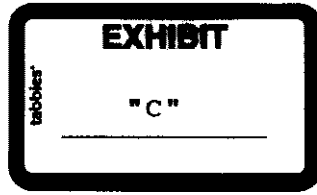
IN SECTION 20, MA

LEGAL DESCRIPTION

THE NE1/4 OF THE NE1/4 OF SECTION 20, TOWNSHIP 35 SOUTH, RANGE 18 EAST, MANATEE COUNTY, FLORIDA.

BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE N.W. CORNER OF THE N.E. 1/4 OF THE N.E. 1/4 OF SECTION 20, TOWNSHIP 35 SOUTH, RANGE 18 EAST; THENCE S.89°38'26"E. A DISTANCE OF 1328.89 FEET ALONG THE SOUTH LINE OF THE SE1/4 OF SAID SECTION 17 ALSO BEING THE SOUTH LINE OF GARDEN LAKES ESTATES, PHASES 7B-7G AS RECORDED IN PLAT BOOK 28, PAGE 22 OF THE PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA TO THE N.E. CORNER OF SAID SECTION 20; THENCE S.00°29'31"E. A DISTANCE OF 1330.65 FEET ALONG THE EAST LINE OF THE N.E. 1/4 OF THE N.E. 1/4 OF SAID SECTION 20 TO THE S.E. CORNER OF THE N.E. 1/4 OF THE N.E. 1/4 OF SAID SECTION 20; THENCE N.89°22'54"W. A DISTANCE OF 1351.10 FEET ALONG THE SOUTH LINE OF THE N.E. 1/4 OF THE N.E. 1/4 OF SAID SECTION 20 TO THE S.W. CORNER OF THE N.E. 1/4 OF THE N.E. 1/4 OF SAID SECTION 20; THENCE N.00°27'52"E. A DISTANCE OF 1324.40 FEET ALONG THE WEST LINE OF THE N.E. 1/4 OF THE N.E. 1/4 OF SAID SECTION 20 ALSO BEING THE EAST LINE OF A PARCEL PER O.R. BOOK 951, PAGE 420 TO THE POINT OF BEGINNING.



BYLAWS

OF

REGAL OAKS HOMEOWNERS' ASSOCIATION, INC.

A Florida Non-Profit Corporation

ARTICLE I

NAME AND LOCATION

The name of the Corporation is REGAL OAKS HOMEOWNERS' ASSOCIATION, INC., a Florida non-profit corporation, hereinafter referred to as the "Association". The principal office of the corporation is located at 4441 South Tamiami Trail, Suite B, Sarasota, Florida, 34231 but meetings of members and directors may be held at such places within the State of Florida, as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

Section 1. "Association" shall mean and refer to REGAL OAKS HOMEOWNERS' ASSOCIATION, INC., a Florida non-profit corporation, its successors and assigns.

Section 2. "Property" shall mean the real property described on Exhibit "A" attached, and personal property subject to the Declaration.

Section 3. "Common Area" shall mean and refer to all real property owned by the Association or encumbered by easements in favor of the Association for the common use and benefit of the Owner.

Section 4. "Unit", "Residential Unit" or Dwelling Unit" shall mean and refer to any residential subdivision lot, zero lot line residential lot, as reflected on the Plat recorded in Plat Book 36, Pages 89-94, Public Records of Manatee County, Florida, and does not include the Common Areas.

Section 5. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Unit which is part of the property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

DIV 1649 PG 3024
DN 1047 PG 3024 33 of 50

BK 1649 PG 3025 34 of 50

Section 6. "Declarant" shall mean and refer to DIAMOND HOMES OF SOUTHWEST FLORIDA, INC., a Florida Corporation, and the term is used interchangeable with the term "Developer".

Section 7. "Declaration" shall mean and refer to the Declaration of Protective Covenants, Conditions and Restrictions for REGAL OAKS applicable to the property recorded in the office of the Clerk of the Circuit Court, Manatee County, Florida.

Section 8. "Member" shall mean and refer to those persons entitled to membership as provided in the Declaration.

Section 9. "Transfer Date" shall mean the date the Developer relinquishes the right to appoint a majority of the members of the Board and conveys title to the Common Areas to the Association.

Section 10. "Transition" shall mean that period of time between incorporation of the Association and the Transfer Date.

ARTICLE III

MEMBERS MEETINGS

Section 1. The qualification of members, the manner of their admission of membership in the Association, and the manner of the termination of such membership shall be as set forth in Article IV of the Articles of Incorporation.

Section 2. The annual members' meeting shall be held at such location in Manatee County, Florida, as shall be designated in the Notice of Meeting, at 7:00 p.m., Eastern Standard Time, on the first Thursday after the first Monday in March of each year, for the purpose of electing directors and transacting any other business authorized to be transacted by the members; provided, however, that if that day is a legal holiday, the meeting shall be held at the same hour on the next day that is not a legal holiday.

Section 3. Special members' meeting shall be held at such location in Manatee County, Florida, as shall be designated in the Notice of Meeting whenever called by the President or Vice President or by a majority of the Board of Directors, and must be called by such officers upon receipt of a written request from members entitled to cast one-third (1/3) of the votes of the entire membership.

Section 4. A written notice of all members' meeting (annual or special) shall be mailed to each member stating the time and place and the objects for which the meeting is called and shall be given the President, Vice President and Secretary unless waived in writing. Such notice shall be mailed to each member not less than ten (10) days nor more than sixty (60) days prior to the date of the meeting. Proof of such mailing shall be given

by the affidavit of the person giving the notice. Notice of meeting may be waived before or after meetings.

Section 5. The membership may, at the discretion of the Board, act by written agreement in lieu of a meeting; provided, however, that written notice of the matters to be determined by such members is given to the membership at the addresses and within the time periods set forth herein for notices of meetings, or is duly waived by such members. Any determination by written agreement shall be determined by the number of members capable of determining the subject matter at a members' meeting. Any notice requesting the written agreement of the membership, shall set forth a time period in which a response may be made.

Section 6. A quorum of the members shall consist of those persons entitled to cast a majority of the votes of the entire membership. A member may join in the action of a meeting by signing the minutes thereof, and such signing shall constitute the presence of such member for the purpose of determining a quorums. The acts approved by a majority of the votes present at a meeting at which a quorum is present, shall constitute the acts of the members, except when approval be a greater number of members if required by the Article of Incorporation and these Bylaws.

Section 7. If at any meeting of the membership, there shall be less than a quorum present, the President, and in the absence of the President, then the majority of those present, may adjourn the meeting from time to time until a quorum is present. Any business which might have been transacted at a meeting thereof. In case of the adjournment of a meeting, notice to the members of such adjournment shall be as determined by the President or in his absence by the majority of the members present.

Section 8. Minutes of all meetings of the members shall be kept in a business-like manner, and shall be available, upon reasonable times, for inspection by the members and directors at the office of the Association.

Section 9. VOTING.

(a) In any meeting of members, the owner of each Unit shall be entitled to cast one (1) vote as the Owner of a Unit unless the decision to be made is elsewhere required to be determined in another manner. Notwithstanding the above, the numbers of votes allowed each class of member of the Association is set forth in Article III of the Declaration.

(b) If a Unit is owned by one person, his right to vote shall be established by the record title to his Unit. If a Unit is owned by more than one person, or is under lease, the person entitled to cast the vote for the Unit shall be designated by a certificate signed by all of the record owners of the Unit and filed with the Secretary of the Association. If a Unit is owned by a corporation, the person entitled to cast the vote for the Unit shall be designated by a certificate signed by the President or Vice President and attested to by the Secretary or Assistant Secretary of the corporation and filed with the Secretary of the Association. A

BK 1649 PG 3026 35 of 50

certificate designating the person entitled to cast the vote of a Unit may be revoked by any Owner of a Unit. If such a certificate is not on file, the vote of such Owner shall not be considered in determining the requirements for a quorum nor for any other purpose.

(c) Votes may be cast in person or by proxy. A proxy must be designated in writing by any person entitled to vote, and shall be valid only for the particular meeting designated in the proxy. It must be filed with the Secretary before the appointed time of the meeting or any adjournment of the meeting.

(d) No member shall be allowed to exercise his vote or serve as director unless he is current on all assessments.

Section 10. The order of business at annual members' meetings and, as far as practical at other members' meetings, shall be:

1. Election of chairman of the meeting.
2. Calling of the roll and certifying of proxies.
3. Proof of notice of meeting or waiver of notice.
4. Reading and disposal of any unapproved minutes.
5. Report of officers.
6. Reports of committees.
7. Election of inspectors of elections.
8. Election of directors.
9. Unfinished business.
10. New business.
11. Adjournment

Section 11. Until Developer has completed all of the contemplated improvements and closed the sale of all of the Units located in REGAL OAKS, or until the Developer elects to terminate its control of the Association, whichever shall occur first, the proceedings of all meetings of members of the Association shall have no effect unless approved by the Board of Directors.

ARTICLE IV

BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

Section 1. The affairs of this Association shall be managed by a Board of not less than three (3) nor more than five (5) directors, who need not be members of the Association.

Section 2. At each annual meeting, the members shall determine the number of directors which shall constitute the Board (subject to Section 1 of this Article IV), and shall elect such approved number of directors for a term of one (1) year.

Section 3. Any director may be removed by the Board, with or without cause, by a majority vote 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. 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. 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 though taken at a meeting of the directors.

Section 6. Notwithstanding any terms or provisions set forth herein to the contrary, the Declarant shall determine the number of directors which shall constitute the Board and shall appoint all such directors during Transition (prior to the Transfer Date).

ARTICLE V

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Declarant shall appoint the members of the Board of Directors during Transition (prior to the Transfer Date). Thereafter, nomination for election to the Board of Directors shall be made by a Nominating Committee. 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 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 elections 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.

Section 2. After the Transfer Date, 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, as many votes as they are entitled to exercise under the provisions of the Declaration. The person receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI

MEETINGS OF DIRECTORS

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

Section 2. 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. 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 presents at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. The Board of Directors shall have 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 the Common Area of a member during any period in which such member shall be in default in the payment of any regular annual assessment levied by the Association which are delinquent in excess of ninety (90) days..

(c) Impose fines consistent with the terms and provisions of the Declaration and Florida law;

(d) 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 for these Bylaws, the Article of Incorporation or the Declaration;

(e) Declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

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

Section 2. 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 Class "A" 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) As more fully provided in the Declaration, to:

1. Fix the amount of the annual assessment against each Unit at least fifteen (15) days in advance of each annual assessment period;

2. Send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

3. 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.

(d) Issue, or 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;

(e) Procure and maintain adequate liability and hazard insurance on property owned by the Association;

(f) Procure and maintain adequate officer's and director's liability insurance;

(g) Cause all officers or employees having fiscal responsibilities to be bonded, as it may be deemed appropriate;

(h) Cause the Common Areas to be maintained.

DN 1449 PG 3030 39 of 50
PA 1047 PG 3030

ARTICLE VIII

OFFICERS AND THEIR DUTIES

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

Section 2. 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. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign or shall be removed, or otherwise disqualified to serve.

Section 4. 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. Any officer may be removed from office with or without cause by a vote of a majority of the Board. Any officer may resign at any time giving written notice to the Board, 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. A vacancy in any office may be filled by appointment by a majority of the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaced.

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

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

(a) The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

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

(c) The Secretary, or the Assistant Secretary in the absence of the Secretary, shall record the votes and keep the minutes of 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, and shall perform such other duties as required by the Board.

(d) The Treasurer, or the Assistant Treasurer in the absence of the Treasurer, shall receive and deposit in appropriate bank accounts all moneys of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

ARTICLE IX

COMMITTEES

The Association shall appoint a Nominating Committee, as provided in these Bylaws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE X

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 Declaration, 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 XI

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 property against which the assessments are made. Any assessments which are not paid when due shall be delinquent. If the assessments are not paid within fifteen (15) days after the due date, the assessment shall bear interest from the date of delinquency at the maximum rate allowable by law. The Association may bring an action at law against the Owner obligated to pay the same or foreclose the lien against the property, and interest, costs and reasonable attorney's fees, paralegal and legal assistant fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the

assessments provided for herein by non-use of the Common Area or abandonment of their Unit.

ARTICLE XII

CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: REGAL OAKS HOMEOWNERS' ASSOCIATION, INC.

ARTICLE XIII

AMENDMENTS

These Bylaws may be amended in the following manner:

(a) Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.

(b) A resolution adopting a proposed amendment may be proposed by either the Board of Directors of the Association or by the members of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, provided such approval is delivered to the Secretary at or prior to the meetings. Except as elsewhere provided, such approvals must be by not less than a two-thirds (2/3rds) vote of all of the voting interests of the Association. The Declarant may unilaterally amend these ByLaws during Transition (prior to the Transfer Date).

(c) A copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted as an amendment to the Bylaws, which certificate shall be executed by the officers of the Association with the formality of the execution of a deed. The amendment shall be effective when such certificate and copy of the amendment are recorded in the Public Records of Manatee County, Florida.

(d) 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.

(e) The Department of Housing and Urban Affairs and the Veteran's Administration of the United States Government shall have the right to veto amendments for as long as there exists more than one class of membership in the Association.

ARTICLE XIV

MISCELLANEOUS

The fiscal year of the Association shall begin on the 1st day of January and end of the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

ARTICLE XV

FISCAL MANAGEMENT

The provisions for fiscal management of the Association set forth in the Articles of Incorporation shall be supplemented by the following provisions:

(a) The expenditures of the Association shall be created and charged to accounts under the following classifications as shall be appropriate, all of which expenditures shall be expenses of the Association:

1. Current/Operating Expense (i.e., landscaping, maintenance, utilities, sanitation, supplies, administration, legal, insurance, management, and the like), which shall include all expenditures within the year for which the budget is made, excluding those expenses chargeable to the accounts delineated in paragraph 2 through 4 below.
2. Current/Operating Expense Contingency, which shall include an allowance for the contingency where actual operation/current expenses exceed the budgeted amount thereof.
3. Reserve for Deferred Maintenance and for Replacement. The reserve for deferred maintenance shall include funds for maintenance items that occur less frequently than annually. The reserve for replacement shall include funds for repair or replacement required because of damage, depreciation or obsolescence.
4. Betterments, which shall include the funds to be used for capital expenditures for additional improvements or additional personal property.

(b) The Board of Directors shall adopt a budget for each year that shall include the estimated funds required to defray the expenditures and to provide and maintain funds for the foregoing accounts and reserves according to good accounting procedure as follows:

1. Current/Operating Expense.

2. Current/Operating Expense Contingency.
3. Reserve for Deferred Maintenance and for Replacement.
4. Betterments, which shall include the funds to be used for capital expenditures for additional improvements to the common property; provided, however, that expenditures in excess of \$5,000.00 from this fund for a single item or for a single purpose shall require at least seventy-five percent (75%) of the vote of the members present at a duly called meeting.
5. Copies of the budget and proposed assessments shall be transmitted to each member of the Association before the end of the calendar year preceding the year for which the budget is made. If the budget is amended subsequently, a copy of the amended budget shall be furnished to each member.

(c) Assessments against Unit Owners for their shares of the budget shall be made annually in advance before the end of the calendar year preceding the year for which the assessments are made. Such assessments shall be in such manner as more specifically described in Articles IX and of X of the Declaration. If the annual assessment is not made as required, an assessment shall be presumed to have been made in the amount of the last prior assessment, and semiannual installments on such assessment shall be due upon each installment payment date until changed by an amended assessment. In the event the annual assessment proves to be insufficient, the budget and assessment may be amended at any time by the Board of Directors. Subsequent to the Transfer Date, in the event the increase exceeds 120% of the annual assessment for the preceding year, the Board of Directors, upon written application of ten percent (10%) of the members of the Board, shall call a special meeting of members within thirty (30) days, upon not less than ten (10) days written notice to each member at a special meeting, members shall consider and enact a budget. In determining whether assessments exceed 120% of similar assessments in prior years, any authorized provisions for reserves, for deferred maintenance and or replacement or for betterments shall be excluded from the computation. The unpaid assessment for the remaining portion of the year for which the amended assessment is made shall be due upon the date of the assessment if made on or after July 1; and if made prior to July 1, one-half (1/2) of the increase shall be due upon the date of the assessment and the balance of the assessment upon said July 1. The first assessment shall be determined by the Board of Directors of the Association.

(d) Assessment for the Association expenses of emergencies that cannot be paid from the annual assessments for association expenses shall be made only after notice of the need for such expenditures is given to the members concerned. After such notice and upon approval in writing by persons entitled to cast more than one-half (1/2) of the votes of the members concerned, the assessment shall become effective and shall be due after thirty days' notice in such manner as the Board of Directors of the Association may require in the notice of assessment.

BK 1649 PG 3036 45 of 50

(f) The depository of the Association shall be such bank or banks and/or savings and loan associations as shall be designated from time to time by the directors and in which the moneys of the Association shall be deposited. Withdrawals of moneys from such accounts shall be only by checks signed by such persons as are authorized by the Directors.

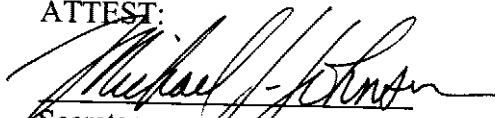
(g) At the Annual Meeting of the Association, the members present shall determine by a majority vote whether an audit of the accounts of the Association for the year shall be made by a Certified Public Accountant, a Public Accountant, or by an auditing committee consisting of not less than three (3) members of the Association, none of whom shall be Board members. The cost of the audit shall be paid by the Association.


(h) Fidelity Bonds shall be required by the Board of Directors from all officers and employees of the Association and from any contractor handling or responsible for the Association funds. The amount of such bonds shall be as prescribed in the Declaration. The premiums on such bonds shall be paid by the Association.

The foregoing document was adopted as the Bylaws of REGAL OAKS HOMEOWNERS' ASSOCIATION, INC., a Florida non-profit corporation, under the laws of the State of Florida, at the First Meeting of the Board of Directors on the 30th day of June, 2000.

REGAL OAKS HOMOWNERS' ASSOCIATION,
Inc., a Florida non-profit corporation

ATTEST:


Secretary

By: 
Michael J. Johnson, President

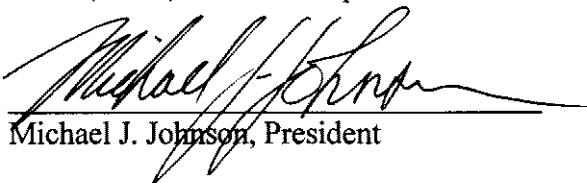
(Corporate Seal)

NOTICE TO BUYERS

To the purchasers of lots in REGAL OAKS, Manatee County, Florida. You are hereby notified that the purchase of your lot is subject to:

1. The Declaration of Restrictions, as amended, a copy of which is provided upon execution of your contract to purchase and which includes a provision appearing in Article V, Section 8, prohibiting certain acts or activities within the boundaries of the parcel of land designated on the recorded Plat for Regal Oaks as "Conservation Easement".
2. Ownership of your Lot also is subject to all matters and conditions specified in the Final Site Plan Approval for the Regal Oaks Subdivision.
3. Ownership of a lot in said Subdivision automatically makes you a member of the REGAL OAKS Homeowner's Association, and you are subject to its By-Laws and regulations. Each owner is entitled to one vote in the affairs of the Association.
4. The Declarant is entitled to six (6) votes for every lot that it owns until turnover of control of the Association.
5. The HOMEOWNERS ASSOCIATION owns and has the right and power to assess and collect, as provided in its By-Laws the costs of maintaining Subdivisions facilities. A copy of the proposed budget for 2000 is attached hereto.
6. The initial assessment by the Association is \$300.00 annually for each lot. You are notified hereby that the Association may increase that amount as may be required to maintain the amenities of the Subdivisions.
7. The Association is obligated to maintain the subdivision identification sign support structures, landscaping and associated lighting and irrigation features located within the median of 62nd Avenue East, for so long as the Association desires to have such improvements remain upon the median, all as more particularly described in that certain Maintenance Agreement for Right-of-Way Island executed between Association and Manatee County recorded in Official Record Book 1649, Pages 2987, Public Records of Manatee County, Florida.

DIAMOND HOMES OF SOUTHWEST
FLORIDA, INC., a Florida corporation

By: 
Michael J. Johnson, President

BK 1649 PG 3037 46 of 50

EXHIBIT

" E "

**MAINTENANCE PROGRAM
FOR REGAL OAKS SUBDIVISION**

It is anticipated that the budgetary information submitted for the first year (2000) indicates more than adequate funds for maintenance as well as operation of the facilities provided by Developer, and which are designated in said Proposed 2000 Budget.

Subsequent years may require additional funds, which will be assessed and collected as required by the Declaration of Restrictions to which each lot is subject.

The lake area and aquatic plants require constant inspection/maintenance, provision for which is being made at least quarterly. The inspection/manitenance periods may vary in order to comply with County regulations, and in particular the Land Development Code, and with any applicable SWFWMD requirements.

The operation and maintenance entity for the subdivision is required to submit inspection reports in the form required by SWFWMD. The inspections shall be performed two (2) years after operation is authorized and every two (2) years thereafter.

Lot owners shall not remove native vegetation (including cattails) that becomes established within the wet detention ponds abutting their property. Removal includes dredging, the application of herbicide, cutting, and the introduction of grass carp. Lot owners shall address any questions regarding authorized activities within the wet detention ponds to SWFWMD, Venice Service Office, Surface Water Regulation Manager.

This the 30th day of June, 2000.

DIAMOND HOMES OF SOUTHWEST
FLORIDA, INC., a Florida corporation

By: Michael J. Johnson
Michael J. Johnson, President

BK 1649 PG 303B 47 of 50

REGAL OAKS SUBDIVISION
LIST OF HOLDINGS



The following is a list of holdings of the REGAL OAKS HOMEOWNERS ASSOCIATION, INC., a non-profit Florida Corporation.

Tract A: Consists of an out parcel to be owned by Diamond Homes of Southwest Florida, Inc.

Tract B: Consists of a retention Lake with littoral plants, utility easement along the west end, and a 25' FP&L company easement along the south end.

Tract C: Consists of a retention Lake with littoral plants, 20' flowage easements running north/south and east/west

Tract D: Consists of a cabana, parking area, pool, landscaping, irrigation and open space.

Tract E: Consists of a Conservation Easement in the southeast portion of the subdivision.

Tract F: Consists of a 20' landscape buffer starting at the intersection of 39th Street East and 62nd Ave. East running South along the east lot lines of lots 1 thru 3 and part of the Conservation Easement, consisting of trees, landscaping, irrigation and signage.

Tract G: Consists of a 15' landscape buffer along the west property lines of lots 85 thru 93, consisting of trees, landscaping and irrigation. And a 10' landscape Buffer and FP&L Co. Easement along the south property lines of lots 80 thru 85, consisting of trees landscaping and irrigation.

Tract H: Consists of a 50' Florida Gas Transmission Company Easement along the north property line to be used as open space only, a 15' landscape buffer along the north property lines of lots 100 thru 116 and the west property lines of lots 94 thru 99 and a 20' landscape buffer along the east property lines of lots 116 thru 120, consisting of trees, landscaping, irrigation and signage.

The center median is the responsibility of the homeowners' association as referenced in the Maintenance Agreement for R/W Island.

It is contemplated that the Homeowners Association will, with the recording of the plat, take title to the above (less Tract A) described and use and maintain the same pursuant to the Restrictions respecting said Subdivision, and the Land Development Code of Manatee County.

This the 30th day of June, 2000.

DIAMOND HOMES OF SOUTHWEST FLORIDA, INC.
a Florida Corporation

By: Michael J. Johnson
Michael J. Johnson, President



**FISCAL AND BUDGETARY INFORMATION RESPECTING
REGAL OAKS SUBDIVISION**

Attached hereto is a proposed budget for the first year of operation of the Regal Oaks Homeowners Association, Inc., which the undersigned Developer believes is more than adequate to meet anticipated requirements.

Also attached is a fiscal program covering the period of the first 10 years beginning 2001 of the operation of the Homeowners Association and the maintenance of the Subdivision amenities.

This the 30th day of June, 2000.

DIAMOND HOMES OF SOUTHWEST FLORIDA,
INC., a Florida corporation

By: Michael J. Johnson
Michael J. Johnson, President

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BK 1649 PG 3040 49 of 50

