

DECLARATION OF
COVENANTS, CONDITIONS AND
RESTRICTIONS FOR

PANTHER TRACE II

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THIS DECLARATION, made and executed this 30th day of SEPTEMBER, 2005, by S.T.O.F. Holdings, Ltd., a Florida limited partnership, hereinafter called "Declarant"; and made and executed this 28th day of SEPTEMBER, 2005, by RRG Big Bend, LLC, a Delaware limited liability company, hereinafter called "Developer".

WITNESSETH:

WHEREAS, Declarant is the owner of the real property described in Article II of this Declaration and desires to create thereon mutually beneficial restrictions under a general plan of improvement for the benefit of all the land in Panther Trace II and the future owners of those lands.

WHEREAS, the real property described in Article II is commonly referred to as Panther Trace II (the "Subdivision").

WHEREAS, Declarant and Developer entered into a Development Agreement dated as of February 18, 2000, and amended August 11, 2002, in which the Declarant granted to the Developer the authority to design, construct and sale residential properties within Panther Trace II.

WHEREAS, Declarant and Developer have deemed it desirable for the efficient preservation of the values and amenities within Panther Trace II to create a Florida corporation not for profit (hereinafter referred to as the "Association") which will be responsible for the certain functions described herein, including enforcement of this Declaration, and the collection and use of assessments and charges hereinafter authorized.

WHEREAS, Developer will or has caused the Association to be formed for the purpose of exercising the functions aforesaid. The members of the Association shall be the respective Owners of the Lots in the Properties and the Developer.

WHEREAS, market conditions, circumstances or other factors beyond the control of Developer may result in a need or desire to modify or alter the general plan of development.

WHEREAS, all or any portion of the Properties may be removed from the lien and operation of this Declaration by an amendment executed by the Developer for such purpose, provided there are no conveyances of Lots (with or without residences being constructed thereon) being removed from the lien and operation of this Declaration.

NOW THEREFORE, Declarant hereby declares that all of the property described above is and shall be held, conveyed, encumbered, leased, rented, used, occupied and improved subject to the following limitations, restrictions, conditions and covenants, all of which are in furtherance of a development plan for Panther Trace II and are established for the purpose of enhancing and protecting the value, desirability and attractiveness of the land and every part thereof. All of the

limitations, restrictions, conditions and covenants herein shall run with the land and shall be binding upon all parties having or acquiring any right, title or interest in any of the above described lots.

ARTICLE I DEFINITIONS

1. "Architectural Review Committee" or "ARC" shall refer to that board as established by the Board of Directors and described in Article IX hereof.
2. "Association" shall mean and refer to Panther Trace II Homeowners' Association, Inc., a Florida corporation not for profit, its successors and assigns. The Articles of Incorporation and Bylaws of the Association are attached hereto as Exhibits "B" and "C", respectively.
3. "Board of Directors" or "Board" shall mean the board of directors of the Association, elected in accordance with its articles and bylaws. Members of the Board shall be referred to as "Directors".
4. "Builder" shall mean and refer to those persons who shall enter into agreements with Declarant for the purchase of all or a portion of the Property together with the commitment to construct residences thereon.
5. "CDD" shall mean the Panther Trace II Community Development District, a community development district created pursuant to Fla. Stat. Chapter 190.
6. "Common Property" shall mean for purposes of this Declaration, all real property intended by the Declarant to be devoted to the common use and enjoyment of the Owners and conveyed or dedicated to the CDD by deed, plat or dedicated to the Association by easement, agreement or on a recorded plat of any real property now or hereafter subject to this Declaration. The term "Common Property" shall also include Conservation Areas and Recreational Facilities, and any personal property acquired by the CDD if such personal property is otherwise intended to be used with realty, which is Common Property.
7. "Conservation Areas" shall mean and refer to those areas dedicated by Declarant for such purposes on any Plat relating to the Property .
8. "Declarant" shall mean S.T.O.F. Holdings, Ltd., a Florida limited partnership, and shall include its successors and assigns.
9. "Developer" shall mean RRG Big Bend, a Delaware limited liability company, and shall include its successors and assigns.

10. "Declaration" shall mean and refer to this Declaration of Covenants, Conditions and Restrictions and any amendments thereto or any Supplemental Declaration filed pursuant to Article II hereof.

11. "Governing Documents" shall mean and refer to Declaration, Articles of Incorporation, Bylaws, Architectural Review Criteria, Regulations and Resolutions of the Association.

12. "Improvements" shall mean and refer to all structures of any kind, including, without limitation any building, fence, wall, sign, paving, grading, any addition, alteration, screen enclosure, sewer, drain, disposal system, decorative building, landscaping or landscaping device or object or other changes to the natural state of the Properties and vegetation existing thereon.

13. "Institutional Lender" shall mean and refer to the owner and holder of a mortgage encumbering Residential Unit, which owner and holder of said mortgage shall be a bank, savings and loan association, insurance company, a pension fund, a real estate investment trust, a mortgage banker, mortgage broker, Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, Federal or State agencies or other like business entity. Institutional Lender shall also mean the Declarant or its affiliates and Declarant's acquisition and development lender(s), its (their) nominees or assignees.

14. "Lot" shall mean and refer to any one of the individual upland plots of land, designated by number on which a Residential Unit is or may be constructed, as shown upon the recorded plat or plats of the Properties.

15. "Maintenance" shall mean, but not be limited to, the following in connection with the Property: cleanup, landscaping and grounds care and other services related to lakes and stormwater facilities, painting and structural upkeep of improved properties, roads, sidewalks, bridges, boardwalks, bike paths and right-of-way repair, as well as all other functions as may be incidental to the services undertaken by the CDD. Maintenance, when used with respect to conservation areas as defined herein, shall mean the care and cleaning of such areas so as to keep such areas free of trash and any material not usually found in such an area not inhabited by man.

16. "Member" shall mean and refer to all those Owners who are members of the Association as provided in Article VII, Section 1, hereof.

17. "Multifamily Residential Unit" means any Residential Unit containing two or more attached dwelling units, including, without limitation, residential structures containing four (4) or more living units in one building, attached townhouses, apartments, condominiums and adult congregate living facilities.

18. "Neighborhood" shall mean any residential parcel of land within the Properties, as such parcels are shown on the Site Development Plan, as such plan may be amended from time to time.

19. "Neighborhood Association" shall mean a condominium, cooperative or homeowners' association formed to operate and maintain common areas and other Improvements within a Neighborhood.

20. "Notice" shall mean delivery of any document to the person or entity to whom such notice is sent to the last known address, according to the records of the party transmitting such notice. Delivery may be by mail, U.S. Postal Service, postage prepaid, and shall include, where such notice is directed to more than ten (10) Owners, posting in a conspicuous public place within the Property. Such posting shall constitute "Notice" notwithstanding failure to receive such notice by mail due to an erroneous address or typographical error in such address. Notice to one of two or more co-owners shall constitute notice to all Owners. Notice shall also include hand delivery, posting in a conspicuous place, and electronic delivery (including, without limitation, e-mail, cable television, and facsimile transmission) reasonably calculated to provide notice to any recipient thereof.

21. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot or Residential Unit situated upon the Properties but, notwithstanding any applicable theory or mortgage, shall not mean or refer to the mortgagee, its successors and assigns unless and until such mortgagee, its successors and assigns has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure.

22. "Plat" shall mean and refer to that Plat or Plats of the Properties, if any, referred to in Article II of this Declaration.

23. "Properties" shall mean and refer to all property which is subject to this Declaration, and which is described in Exhibit "A" attached hereto.

24. "Public Entities" shall mean Hillsborough County, the State of Florida and its agencies, public and private schools and transportation facilities connected therewith.

25. "Recreational Facilities" shall mean those areas on the Site Development Plan designated or set aside for recreational purposes, developed by Developer or the CDD from time to time, and at the time of development are designated for use by Owners and their guests. "Recreational Facilities" shall include the community center to be developed by the CDD .

26. "Residential Unit" shall mean and refer to any property intended for use as a single family dwelling. For the purposes of this Declaration, any such single family dwelling shall not be deemed to be improved until a certificate of occupancy has been issued by the appropriate governmental authorities for the single family dwelling constructed on said parcel or until the said single family dwelling is determined by the Association, in its reasonable discretion, to be reasonably complete. The term shall include all portions of the Residential Unit owned including any structure or improvement constructed thereon.

27. "Rules and Regulations" shall mean and refer to procedures for administering the Association and the Properties as adopted by resolution of the Board of Directors.

28. "Site Development Plan" shall mean and refer to the plan for the development of the Properties as prepared by the Developer.

ARTICLE II PROPERTY SUBJECT TO THIS DECLARATION

The real property which is, and shall be, held, transferred, sold, conveyed, and occupied subject to this Declaration is located in Hillsborough County, Florida, and is more particularly described in Exhibit "A" attached hereto.

The Declarant reserves the right to add to the real property, the subject of this Declaration, by filing in the Public Records of Hillsborough County a Supplemental Declaration as to the additional property which provides that it shall be added to the property herein described and subject to all the terms and conditions of this Declaration. The Declarant shall not, however, add any property to this Declaration by annexation other than Lots intended for the construction of Residential Units or lands intended for use as Common Property or Commercial Property.

Upon a merger or consolidation of the Association with another association as provided by law, its properties, rights and obligations may, by operation of law, be transferred to another surviving or consolidated association or, alternatively, their properties, rights and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer this Declaration within the existing property together with the covenants and restrictions established upon any other property as one scheme.

This Declaration does not and is not intended to create a condominium within the meaning of Chapter 718, Florida Statutes.

ARTICLE III DESCRIPTION OF DEVELOPMENT

The Properties are being developed by the Developer into Lots intended for the construction of Residential Units.

The Owners recognize that the Developer may have the balance of Panther Trace II under development for an extended time. Incident to that development, the Owners acknowledge that the quiet enjoyment of the Properties may be interfered with to some extent by the construction operations. From time to time, Developer has presented to the public certain renderings, plats, plans, and models showing possible future development of Panther Trace II. Developer does not warrant in any way the schemes in these renderings, plans or models or actually how the future

improvements in Panther Trace II will be developed. The Owners accept that any such renderings, plans or models are primarily schematic and in no way represent the final development of Panther Trace II generally. Developer reserves the right to amend and modify the Site Development Plan from time to time without the approval of the Owners. Neither the Declarant nor the Developer shall be responsible or liable to the Owners for failing to follow a predetermined order of improvement and development within the Properties.

ARTICLE IV MANAGEMENT OF THE PROPERTY

Section 1. Operation of the Property. The Property shall be managed by Developer, the CDD or the Association. By acceptance of a deed to any portion of the Property, each grantee thereof, whether an initial purchaser of property or a Residential Unit Owner or a Commercial Property Owner, agrees to be bound and abide by the terms of this Declaration, the Articles, the Bylaws and other rules and regulations of the Association established from time to time. In addition, the family, guests, invitees and tenants of Owners shall abide and be bound by the provisions of this Declaration while in Panther Trace II.

Section 2. Development of Panther Trace II. Each Owner, by acceptance of a deed to a Lot, acknowledges that quiet enjoyment of the Lot may be interfered with to some extent by the construction operations on the balance of the Property. Each Owner waives all claims against Declarant for interference with his quiet enjoyment through development of the Property, incident to the construction operations of Developer or of any Builder. In addition, from time to time, Developer has and will present to the public certain renderings, plats, plans, and models showing possible future development of the Property. Developer does not warrant in any way the schemes in these renderings, plans, or models, or how future improvements on the Property actually will be developed. Each Owner accepts that any such renderings, plans, or models are primarily schematic and in no way represent the final development of any particular area of Panther Trace II generally. Further, each Owner releases Declarant and Developer for the future development of the Property or any portion thereof, such as, but not limited to, such renderings, plans, or models. Each Owner accepts and agrees that Declarant and Developer will have the sole right to design, construct, develop, and improve the Property as it determines.

Section 3. Rights Concerning Lakes. Certain Residential Units are located adjacent to lakes or other water bodies. The lakes and other water bodies in Panther Trace II are part of the master drainage system for the Property. The lake-front property line of each Lot adjacent to a lake may be located at or near the top of the bank around the lake. However, no abutting Owner shall be deemed to acquire any right in such lake or the water thereof, and the usage of such lake and control of the elevation of such waters shall be subject to regulations adopted from time to time by the CDD.

Section 4. Rights Concerning Conservation Areas. The Conservation Areas identified on any Plat shall be monitored, managed, maintained by the CDD in accordance with the

regulatory requirements of local, state and federal law. No owner of a Residential Unit or any part of the Property, or any tenant, guest or invitee shall use or occupy any part of the Conservation Areas or any required buffer areas adjacent to such Conservation Areas, except as expressly permitted or authorized by the CDD.

Section 5. Operation of Recreational Facilities. Developer or the CDD shall have the right, but not the obligation, to provide future facilities, for recreation, meetings or other purposes ("Recreational Facilities"). If any Recreational Facilities shall be constructed, they shall be governed by the provisions hereof.

The right to use the Recreational Facilities shall be governed by such terms and conditions as may be promulgated from time to time by the CDD. The CDD shall have the right, from time to time, in its sole and absolute discretion and without notice, to amend or waive the terms and conditions of use of the Recreational Facilities, specifically including, without limitation, the terms and conditions of use, the number of users permitted to use the Community Facilities at any one time, or to reserve use rights for future Residential Unit Owners.

Ownership of a Residential Unit or residential property does not confer any ownership or ownership rights in the Community Facilities. Persons in the future who are permitted to use the Community Facilities, as they may exist from time to time, shall not acquire a vested right to continue to use such facilities, so long as any discontinuance is uniformly applied to all Owners.

The CDD and its successors in title shall have the following powers in addition to those granted or imposed by its charter or the State of Florida:

- A. to maintain in a good condition the Community Facilities it operates;
- B. to protect the natural habitat of wetlands and uplands along the perimeter or adjacent to the Community Facilities by prohibiting entry as appropriate and keeping adjacent portions of the wetlands and uplands free of foreign material.

The CDD and its successors shall have the absolute right to discontinue the operation of the Recreational Facilities, or to sell or otherwise dispose of the real and personal property of the Recreational Facilities, or any portion thereof, in any manner whatsoever, and to any person or entity; provided, however, such person or persons must comply with the provisions of this Declaration.

Section 6. Rights to Stormwater Runoff and Water Conservation and Reclamation Programs. Declarant hereby reserves for itself, and grants to the CDD and its successors and assigns, all rights to ground water, surface water, and stormwater runoff within the Property, and each Owner agrees, by acceptance of a deed to a Residential Unit, that the CDD shall retain all such rights. No person other than the CDD shall claim, capture, or collect rain water, ground water, surface water, or stormwater runoff within the Property without prior written permission of

the CDD. The CDD may establish programs for reclamation of stormwater runoff and wastewater for appropriate uses within or without the Property, and may require Owners and occupants of the Property to participate in such programs to the extent reasonably practicable. No Owner or occupant of any portion of the Property shall have any right to be compensated for the water claimed or reclaimed from such Owner's property.

Section 7. Neighborhood Associations. It is the intent of this Declaration that the owner of a neighborhood may form a neighborhood association. The owner forming the neighborhood association must make provisions as hereafter provided for even and fair representation on the governing board of the neighborhood association. The Declarant shall review the documentation creating the neighborhood association and shall, in its discretion, require such changes in the documentation so as to assure fair and representative covenants of the neighborhoods.

ARTICLE V FUNCTIONS OF THE CDD

Section 1. Services. In addition to the powers provided under its charter or state law, the CDD may provide the following services:

A. Maintenance of all Common Property owned by the CDD and all city, county, district or municipal properties to the extent permitted by any governmental authority which are located within or in a reasonable proximity to the Property to the extent that their deterioration would adversely affect the Common Property. The CDD may adopt standards of maintenance and operation provided by this and other subsections within this Section 1, which are, at the very least, as stringent as those adopted and/or followed by other first-class developments similar to Panther Trace II.

B. Maintenance of any real property located within the Property upon which the CDD has accepted an easement for such maintenance by duly recording an instrument granting such easement to the CDD executed and delivered by the owner of such property to the CDD.

C. Maintenance of lakes owned by the CDD within the Property, if and to the extent permitted by any governmental authority having jurisdiction thereof. Maintenance as used in this Subsection shall include, but not be limited to, the preservation of any lakes as bodies of water in an ecologically sound condition to be used for such water activities as may be determined and allowed from time to time by the CDD.

D. The CDD's Maintenance of the Common Property shall specifically include, but shall not be limited to, the conservation areas, the stormwater management system (and side drains or underdrains) associated therewith, and other facilities permitted therein.

E. Insect, pest and aquatic control to the extent that it is necessary or desirable in the judgment of the CDD to supplement the service provided by the state and local

governments.

F. Taking any and all actions necessary to enforce all covenants, conditions and restrictions affecting the Common Property and performing any of the functions or services delegated to the CDD in any covenants, conditions or restrictions applicable to the Common Property.

G. Purchasing general liability and hazard insurance covering improvements and activities on the Common Property on a current replacement cost basis in an amount not less than one hundred per cent (100%) of the insurable value, and directors' and officers' liability and other insurance as the Board of Supervisors deems necessary.

H. Publishing and enforcing such rules and regulations as the Board of Supervisors deems necessary with respect to the common Property.

I. Maintenance of and providing for lighting of roads, sidewalks, walking and bike paths throughout the Property.

J. Conducting recreation, sport, craft and cultural programs of interest to Owners, their families, tenants and guests and charging admission fees for the operation thereof.

K. Constructing improvements on Common Property and easements as may be required to provide the services as authorized in this Section 1 of this Article.

L. Maintenance of all Conservation Areas in a clean and natural condition in the manner set forth herein.

M. The CDD shall have the absolute right and privilege to enter the Properties at all reasonable times to correct a defect or abate a nuisance if it shall have given the Owner or the Association twenty-four (24) hours' notice of the nuisance or defect or of violation of a CDD rule that the Board of Supervisors reasonably believes to be a violation and such has not been corrected.

Section 2. Conveyance by CDD. The CDD shall be empowered to delegate or convey any of its functions or properties to any governmental unit for public utilities or for other public purposes, or to any private entity so long as the use is consistent with the intended use of such property. Any such delegation or conveyance to any governmental unit shall be only upon the approval and acceptance thereof.

ARTICLE VI NEIGHBORHOOD ASSOCIATIONS

Section 1. Requirements. All neighborhood associations to be formed hereunder shall meet the following requirements:

A. The neighborhood association must be organized within a neighborhood no later than the date title to the first residential unit in the neighborhood is conveyed.

B. Subject to the provisions of this Declaration, the neighborhood association may:

- (a) adopt and amend bylaws and rules and regulations;
- (b) adopt and amend budgets for revenues, expenditures and reserve and collect assessments, maintenance of property or easements in favor of the neighborhood association located within the neighborhood;
- (c) hire and discharge managing agents and other employees, agents and independent contractors;

C. Except as provided in the Declaration or the Bylaws, a board of directors of a Neighborhood may act in all instances on behalf of the neighborhood association. In the performance of the duties, officers and members of the board of directors of the neighborhood association are required to exercise ordinary and reasonable care.

Section 2. Maintenance Responsibility. Except to the extent provided by this Declaration and to the extent that any property within the neighborhood is maintained by the CDD, the neighborhood association is responsible for maintenance, repair and replacement of the common property of the neighborhood association. If any neighborhood association fails to perform the duties imposed by this paragraph, the association shall have right (but not the obligation), through its agents and employees, to enter upon the property of the association and to repair, maintain, and restore such common property to good order and repair all without liability or responsibility for trespassing on the property in the course of performing it as set forth in this Article. The cost of such restoration shall be assessed and be a binding obligation of the neighborhood association, as well as a lien (enforceable in the same manner as any other assessment provided for herein), upon the parcel in question.

Section 3. Approval of the Neighborhood Association Documents. The Association shall have the right of specific approval or veto of all legal documents associated with all neighborhood associations, including, but not limited to, articles of incorporation, bylaws, declarations of covenants, conditions and restrictions, declarations of condominium and declarations of cooperative. No improvements shall be commenced on any residential property until all legal documents for the neighborhood association to have control thereof have been submitted to and approved in writing by the Association.

ARTICLE VII

EASEMENTS

Section 1. Appurtenant Easements. Declarant grants to all Owners, their guests, lessees and invitees; as an appurtenance to the ownership of fee title interest to certain defined real property within the Property and subject to this Declaration and the rules promulgated by the CDD, as owner of any Common Property, a perpetual nonexclusive easement for ingress and egress over, across and through and for the use and enjoyment of all Common Property, such use and enjoyment to be shared in common with the other Owners, their guests, lessees and invitees as well as the guests, lessees and invitees of Declarant and Developer, subject always to the terms of this Declaration.

Section 2. Utility Easement. Declarant grants to Developer, its successors and assigns, a perpetual easement upon, over under and across the Property for the purpose of maintaining, installing, repairing, altering and operating sewer lines, water lines, force mains, lift stations, water mains, sewer mains, water distribution systems, sewage disposal systems, effluent disposal systems, pipes, wires, siphons, valves, gates, pipelines, telephone, fiber optic and cable televisions service, electronic security systems and all machinery and apparatus appurtenant to all of the foregoing as may be necessary or desirable for the installation and maintenance of utilities and services servicing all owners and servicing all Common Property. All such easements shall be of a size, width and location as Developer, in its discretion, deems best, but selected in a location so as to not unreasonably interfere with the use of any improvements, which are now, or will be, located upon the Property.

Section 3. Developer Easement. Declarant hereby grants to Developer, its successors and assigns, and to such other persons as Declarant may from time to time designate, a perpetual easement, privilege and right in and to, over, under, on and across the Common Property for ingress and egress as required by its officers, directors, employees, agents, independent contractors, invitees and designees; provided, however, that such access and use do not unnecessarily interfere with the reasonable use and enjoyment of these properties and facilities by the Owners.

Section 4. Service Easement. Declarant hereby grants to delivery and pickup services, United States mail carriers, representatives of utilities and service providers authorized by Developer, its successors or assigns to service the Property, and to such other persons as Declarant from time to time may designate, the nonexclusive, perpetual right of ingress and egress over and across the Common Property for the purposes of performing their authorized services.

Section 5. Easements to County. Declarant grants to the Hillsborough County the right of ingress and egress over and across the Common Property for fire, police and other County services.

Section 6. Extent of Easements. The rights and easements of enjoyment created hereby shall be subject to the following:

A. The right of Declarant or the CDD, as the case may be, to borrow money from a lender for the purpose of improving and/or maintaining the Common Property and providing services authorized herein and, in aid thereof, to mortgage said properties;

B. The right of the Association to suspend the rights and easements of enjoyment of any Owner or any tenant of any Owner for any period during which any assessment remains unpaid, and for any period, not to exceed sixty (60) days, for any infraction of its published rules and regulations, it being understood that any suspension for either nonpayment of any assessment or breach of any rules and regulations of the Association shall not constitute a waiver or discharge of the Owner's obligation to pay the assessment. With respect to suspensions for infractions of the published rules and regulations of the Association, the following restrictions shall apply: (a) suspension may not be imposed without notice of at least 14 days to the person sought to be suspended and an opportunity for a hearing before a committee (the "Violations Committee") of at least three members appointed by the Board of Directors who are not officers, directors, or employees of the Association (or the spouse, parent, child, brother or sister of an officer, director or employee); (b) if the Violations Committee, by majority vote, does not approve a proposed fine or suspension, it may not be imposed; and (c) suspension or rights and easements shall not impair the right of an Owner or a tenant of an Owner to have vehicular and pedestrian ingress to and egress from his Residential Unit.

C. The CDD, or the Board of Directors of the Association, as the case may be, shall have the power to place any reasonable restrictions upon the use of any roadways owned by the CDD, including, but not limited to, the maximum and minimum speeds of vehicles using such roads, all other necessary traffic and parking regulations and the maximum noise levels of vehicles using such roads. The fact that such restrictions on the use of such roads shall be more restrictive than the laws of any state or local government having jurisdiction over the Property shall not make such restrictions unreasonable.

D. The right of the CDD to give; dedicate or sell all or any part of the Common Property (including leasehold interest therein) to any public agency, authority or utility or private concern for such purposes and subject to such conditions as may be determined by the CDD.

Section 7. Platted Easements. Easements for drainage and for installation and maintenance of utilities are reserved as shown on the Plat or Plats of the Property. Within these easements, no structure, planting, or other material shall be placed or permitted to remain which may impede the flow of water through drainage channels in the easements. It is important that the banks, swales, and berms constituting a part of any lake, and any swales and drainage canals located within the Property, remain undisturbed and properly maintained in order to perform their functions. The easement area on each Lot or Residential Unit and all improvements within it shall be maintained continuously by its Owner, except for those improvements for which a public authority or utilities company is responsible. No one shall take any action, which would impede the use of the easement in the manner intended. Within the areas encompassed by platted drainage easements, there shall be no structures, fences, trees, or objects which impair or block,

permanently or temporarily, the ability of the CDD to have free and unencumbered access to drainage facilities or platted wetland Conservation Areas abutting the easements, so that the CDD will have regular periodic access to such facilities in the areas and sufficient area in which to conduct maintenance activities. The CDD shall have access to all drainage and platted wetland Conservation Areas for purposes of operation and maintenance thereof, and shall not be held liable for any damage to or removal of any Owner's sod or other plantings caused by such operation and maintenance activities.

Section 8. Lake Access and Maintenance. Declarant reserves for itself, and grants to the CDD and its successors and assigns, easements for drainage and for lake access and maintenance as shown on the Plat or Plats of the Property to provide for drainage and access to any abutting lakes or canals for maintenance thereof. Platted lake maintenance easements shall remain free of obstructions at all times. Declarant also grants to the CDD, its successors and assigns, the full unrestricted right of access upon any Lot as shown on the Plats of the Property to the extent required for access to and maintenance of the lakes within the Property, and for any temporary overflow of lake waters.

Section 9. Easements for Cross-Drainage. Every Lot, Residential Unit, the Commercial Property, and the Common Property shall be burdened with easements for natural drainage of stormwater runoff from other portions of the Property as shown on the master drainage plan included as part of the Site Development Plan. No Owner or other person shall alter the drainage on any Lot or Residential Unit so as to materially increase the drainage of stormwater onto adjacent property unless such person has obtained the consent of the Owner of the affected property and of all applicable governmental authorities (to the extent such consent is required by those authorities), and the drainage must be consistent with the master drainage plan included in the Site Development Plan.

Section 10. Reciprocal Easement of Support. There shall be reciprocal appurtenant easements between each Lot and such portion or portions of the Common Property adjacent thereto, or between adjacent Lots, or both, for the maintenance, repair and reconstruction of any party wall or walls, as provided in this Declaration; any nonparty wall or walls; for lateral and subjacent support; for roofs and eaves installed by the Developer or its designees and for replacements thereof; and for encroachments caused by the unwillful placement, settling, or shifting of any improvements constructed, reconstructed or altered thereon in accordance with the terms of this Declaration. To the extent not inconsistent with the terms of this Declaration, the applicable case law of the State of Florida shall apply to the foregoing easements. To the extent of said easements for lateral and subjacent support and for overhangs shall be that reasonably necessary to effectuate the purposes thereof.

Section 11. Easement for Unintentional and Non-Negligent Encroachments. If (a) any portion of the Common Property or Improvements thereon encroaches upon any other portion of the Properties; or (b) any other portion of the Properties, or Improvements thereon, encroaches upon the Common Property; or (c) any encroachment shall hereafter occur pertaining to the Properties as the result of: (i) construction of any building or Improvement by Developer; (ii)

settling or shifting of a home or other Improvement constructed by Developer its successors or assigns; (iii) any repair to the Common Property or any other portion of the Property, then, in any such event, a valid easement shall exist for such encroachment and for the maintenance, repair and replacement of same as long as such structure shall exist.

Section 12. Right of Entry. In addition to the easements described in this Article, Developer, the CDD, and the Association are hereby granted a right of entry onto each Lot or Residential Unit (but not inside a dwelling thereon), whether improved or unimproved, for any purpose reasonably related to the performance of any duty imposed, or the exercise of any right granted by, this Declaration. Such right of entry shall be exercised in a peaceful and reasonable manner at reasonable times and upon reasonable notice whenever circumstances permit. Entry into any dwelling shall not be made without the consent of the Owner or occupant thereof for any purpose, except pursuant to court order or other authority granted by law. The foregoing right of entry may be exercised by the agents, employees and contractors of Declarant, the CDD, and the Association.

Section 13. Benefits. All easements reserved for the benefit of Declarant in this Article shall also be for the benefit of the CDD. Such easements are intended to supplement, not replace, the easements shown on the Plats of the Property, and shall be construed as complementary to any such platted easements.

ARTICLE VIII MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. Membership. Owner, as defined in Article I, shall be deemed to have a membership in the Association for each Lot owned. In the event the Owner of a Lot is more than one (1) 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 By-Laws. The membership rights of a Unit owned by a corporation or partnership shall be exercised by the individual designated by the Owner in a written instrument provided to the Secretary, subject to the provisions of this Declaration and the By-Laws.

Section 2. Voting. The Association has two (2) classes of membership, Class "A" Members and Class "B" Members, as follows:

A. Class "A." Class A Members shall be all Owners with the exception of the Class "B" Member, if any. Class "A" Members shall be entitled to one (1) vote for each Lot in which they hold the interest required for membership under Section 1 hereof; provided, however, there shall be only one (1) vote per Lot. In any situation where a person is entitled personally to exercise the vote for his Lot and more than one (1) person holds the interest in such Lot required for membership, the vote for such Lot shall be exercised as those persons determine among themselves and advise the Secretary of the Association in writing prior to any meeting. In

the absence of such advice, the Lot's vote shall be suspended if more than one (1) person seeks to exercise it.

B. Class "B." Notwithstanding any other provision in this Declaration to the contrary, the Class "B" Member shall be the Declarant. The Class "B" Member shall have three (3) votes for each Lot, which it owns until the end of the Class "B" Control Period, as hereafter defined. Thereafter, the Class "B" Member shall have one (1) vote for each Lot, which it owns. Other rights of the Class "B" Member, including the right to approve actions taken under this Declaration and the Articles, are specified elsewhere herein and in the Articles.

The Class "B" Member shall be entitled to appoint a majority of the members of the Board of Directors during the Class "B" Control Period, as hereafter defined.

Section 3. Definition of Class "B" Control Period. The Class "B" Control Period shall commence with the execution of this Declaration by Declarant and expire upon the first to occur of the following:

A. after seventy-five percent (75%) of the proposed Residential Units in all phases of Panther Trace that will ultimately be operated by the Association and the CDD (the Declarant having reserved the right to annex additional lands for future phases pursuant to Article II) have been conveyed to Owners other than the Declarant, any builders, contractors or other parties who purchased a Lot for the purpose of constructing improvements thereon for resale;

B. seven (7) years after the date this Declaration is recorded in the public records of Hillsborough County, Florida; or

C. when, in its discretion, the Class "B" Member so determines.

This Section 3 cannot be amended without the express written consent of Owners representing one hundred percent (100%) of the total Class "A" Members and Class "B" Members in the Association.

Section 4. Procedure of Calling Turnover Meeting. After the occurrence of any of the above events relative to the end of the Class "B" Control Period, the Association shall notify in writing all Members of a date of no more than 45 days and no less than 30 days at which a meeting of all Members will be held to elect a new Board of Directors of the Association ("Turnover").

ARTICLE IX FUNCTIONS OF THE ASSOCIATION

Section 1. Functions. The Association shall be empowered to do the following:

- A. Adopt and amend bylaws and rules and regulations;
- B. Adopt and amend budgets for revenues, expenditures and reserves and collect assessments from Lot Owners;
- C. Hire and discharge managing agents and other employees, agents and independent contractors;
- D. Institute, defend or intervene in litigation or administrative proceedings in its own name on behalf of itself or two or more Lot Owners on matters affecting the Properties only;
- E. Make contracts and incur liabilities;
- F. Acquire, hold, encumber and convey in its own name any right, title or interest to real or personal property.
- G. Impose charges for late payment of assessments and, after notice and an opportunity to be heard, levy reasonable fines for violations of the Declarations, Bylaws and rules and regulations of the Association;
- H. Impose reasonable charges for the preparation and recordation of amendments to the Declaration or statement of unpaid assessments;
- I. Provide for the indemnification of its officers and maintain directors' and officers' liability insurance;
- J. Assign its right to future income, including the right to receive common expense assessments, but only to the extent the Declaration expressly so provides;
- K. Exercise any other powers conferred by the Declaration or Bylaws;
- L. Exercise all other powers that may be exercised in this State by legal entities of the same type as the Association; and
- M. Exercise any other powers necessary and proper for the governance and operation of the Association.
- N. Administer the Architectural Review Criteria.

- O. Maintain Common Property which it owns or for which it has accepted responsibility.
- P. Enter into any cable and/or high speed internet access contracts serving the Properties.
- Q. Enter into any agreement with the CDD for matters deemed to be in the best interest of Panther Trace II.

Section 2. Services. The Association shall provide the following services:

- A. Taking any and all actions necessary to enforce all covenants, conditions and restrictions affecting the Properties and to perform any of the functions or services delegated to the Association in any covenants, conditions or restrictions applicable to the Properties or in the Articles of Incorporation or Bylaws governing the Association.
- B. Conducting business of the Association, including but not limited to administrative services such as legal, accounting and financial and communication services informing Members of activities, notices of meeting and other important events.
- C. Publishing and enforcing such rules and regulations as the board deems necessary.
- D. Purchasing general liability and hazard insurance covering improvements and activities on the Common Property owned by the Association on a current replacement cost basis in an amount not less than one hundred per cent (100%) of the insurable value, and directors' and officers' liability and other insurance as the Board of Directors deems necessary.

Section 3. Obligation of the Association. The Association shall carry out any of the functions and services specified in Section 2 of this Article with the proceeds first from annual assessments and then, if necessary, from special assessments. The functions and services allowed in Section 2 of this Article to be carried out or offered by the Association at any particular time shall be determined by the Board of Directors taking into consideration proceeds of assessments and the needs of the Members. The functions and services, which said Association is authorized to carry out or to provide, may be added to or reduced at any time upon the affirmative vote of a majority of the Board of Directors.

Section 4. Mortgage and Pledge. The Board of Directors shall have the power and authority to mortgage the property of the Association and to pledge the revenues of the Association as security for loans made to the Association, which loans shall be used by the Association in performing its functions.

Section 5. Conveyance by Association. The Association shall be empowered to delegate [or convey] any of its functions [or properties] to any governmental unit for public

utilities or for other public purposes, to the CDD or to any private entity so long as the use is consistent with the intended use of such property. Any such delegation or conveyance to any governmental unit shall be only upon the approval and acceptance thereof.

Section 6. Neighborhood Assessment. One or more neighborhoods within Panther Trace II may have additional restrictions, and amenities that are limited to that neighborhood. Accordingly, common areas within that neighborhood may be restricted to the use of the neighborhood. The Neighborhood Association may request that the Association assess its Owners separately for services that are not common among all Owners. The assessment will be for purposes of maintenance of those restricted areas, as well as additional administration costs of budgeting and collection.

Section 7. Association Actions Requiring Approval. After the occurrence of the Turnover meeting as referred to in Article VII, Section 4, unless at least two-thirds (2/3) of each class of votes of the Owners of Residential Units have given their prior written approval, the Association, shall not be entitled to:

A. change the method of determining the obligations, assessments, dues or other charges, which may be levied against a Residential Unit Owner or Lot Owner;

B. by act or omission materially change, waive or abandon any scheme of regulations, or enforcement thereof, pertaining to the architectural design or the exterior appearance of Residential Units, party walls or common fences and driveways or the upkeep of lawns and plantings.

Any such action shall not materially and adversely affect the beneficial use and enjoyment by the residents of Residential Units. The Association may not approve under this section any abandonment, transfer or conveyance of Common Property it owns without providing for the continued maintenance and replacement of infrastructure improvements for which the Association has responsibility.

ARTICLE X ARCHITECTURAL CONTROL

Section 1. Purpose. To preserve the natural beauty, to protect sensitive portions and to assure that construction of improvements upon the Properties shall be in harmony with the natural aesthetics of the site, the Properties are hereby made subject to the following restrictive covenants in this Article X and every Owner agrees to be bound and comply with the provisions contained in this Article.

Section 2. Architectural Review Board. There is hereby created the Architectural Review Committee (the "ARC") whose duties, powers and responsibilities shall be as hereinafter set forth:

A. The Board of Directors. The Board of Directors of the Association shall establish the ARC, which, initially shall be constituted of not less than three (3) persons. At such time as the Declarant shall turn over the control of the Association as provided in Article VIII hereof, the then-existing members of the ARC who were appointed while the Declarant had control of the Association shall resign and the ARC shall then have as members those persons appointed by the Board of Directors of the Association following turnover. At such time every ARC member must be a Residential Unit Owner and shall be appointed for a term of one (1) year and may be removed by the Board of Directors at any time without notice. The ARC shall meet from time to time as directed by the Board of Directors at such time and place as may be designated by the Chairman who shall be elected by the ARC from among its appointed members. The ARC may have as many as five (5) members and three (3) members shall constitute a quorum for the transaction of business. The ARC is authorized to retain the services of consulting architects, urban designers, engineers, inspectors, contractors and attorneys to advise and assist the ARC in performing its functions.

B. Construction Subject to Design Review. No construction, modification, alteration or other improvement of any nature whatsoever, except interior alterations not affecting the external structure or appearance, shall be undertaken on any Unit or parcel of land unless and until the plans of such construction or alteration shall have been approved in writing by the ARC. Modifications subject to ARC approval specifically include, but are not limited to the following: painting or other alteration of a dwelling (including doors, windows and roof); installation of solar panels or other energy-generating devices; construction of fountains, swimming pools, whirlpools, or other pools; construction of privacy walls or other fences; addition of awnings, shutters, gates, flower boxes, shelves, statues or other outdoor ornamentation; installation of patterned or brightly colored internal window treatment; any alteration of the landscaping or topography of the parcel, including without limitation the cutting or removal of trees in excess of two inches (2") in diameter at breast height; planting or removal of plants; the creation of any pond or swale or similar features of the landscape. This Article shall not apply to the Properties while it is being developed by the Declarant in accordance with an approved site plan.

C. Architectural Review Procedures.

1) The Developer has established Architectural Review Criteria for all construction, other improvements and landscaping to which this Article applies and uniform procedures for the review of applications submitted to it. These criteria, and procedures shall be published in the Architectural Review Criteria.

2) The plans to be submitted to the ARC for approval for any dwelling or other improvement shall conform to the Architectural Review Criteria.

One copy of the plans shall be retained in the records of the Association and one shall be returned to the Owner marked "approved" or "disapproved". The third copy shall be used by the ARC.

D. The ARC shall have the right to refuse to approve any plans and specifications, which are not suitable or desirable, in its sole discretion, for aesthetic or any other reasons. In approving or disapproving such plans and applications, the ARC shall consider the suitability of the proposed building, improvements, structure or landscaping and materials of which the same are to be built, the site upon which it is proposed to be erected, the harmony thereof with the surrounding area and the effect thereof on adjacent or neighboring property, in accordance with the provisions of this Declaration and the Architectural Review Criteria. All decisions of the ARC shall be provided to the Board of Directors, and evidence thereof may, but need not, be made by a certificate in recordable form, executed under seal by the President or any Vice President of the Association. Any party aggrieved by a decision of the ARC shall have the right to make a written request to the Board of Directors within thirty (30) days of such decision, for a review thereof. The determination of the Board upon reviewing any such decision shall in all events be final. The ARC in accepting or reviewing any plans shall not have or undertake responsibility or liability for the quality of design or construction and shall only concern itself with those matters set forth in this Article X.

E. If any structure, paving, landscaping or other improvement requiring approval pursuant to this Article X is changed, modified or altered without prior approval of the ARC of such change, modification or alteration and the plans and specifications therefore, if any, then the Owner shall upon demand cause the improvement or structure to be restored to comply with the plans and specifications originally approved by the ARC, and shall bear all costs and expenses of such restoration, including costs and reasonable attorney's fees of the ARC.

F. Unless specifically excepted by the ARC, all improvements for which approval of the ARC is required under this Declaration shall be completed within a reasonable time from the date of commencement of said improvements or within the time set by the ARC in the event that the approval is so conditioned.

G. The ARC shall in all cases have the right to determine and designate building set back lines necessary to conform to the general plan of the land where those lines are not set in the graphics of the Architectural Review Criteria, in order to preserve the integrity of the Properties and the Site Development Plan. In this respect, the ARC's judgment and determination shall be final and binding.

H. In the event the ARC shall fail to approve or disapprove the plans and specifications submitted in final and complete form within forty-five (45) days after written request for approval or disapproval together with all necessary supporting plans, specifications or information is delivered to the ARC by the Owner or the Owner's agent or attorney, then such approval of the ARC shall not be required; provided, however, that no building or other structure shall be erected or shall be allowed to remain which violates any of the covenants, conditions or restrictions contained in this Declaration, or which violates any zoning or building ordinance or regulation.

I. There is specifically reserved unto the ARC, the right of entry and inspection upon any Residential Unit for the purpose of determination by the ARC whether there exists any construction of any improvement which violates the terms of any approval by the ARC or the terms of this Declaration or of any other covenants, conditions and restrictions to which its deed or other instrument of conveyance makes reference. The ARC is specifically empowered to enforce the provisions of this Declaration by any legal or equitable remedy, and in the event it becomes necessary to resort to litigation to determine the propriety of any constructed improvement, or to remove any unapproved improvements, the prevailing party shall be entitled to recovery of all court costs, expenses and reasonable attorney's fees in connection therewith. The Association shall indemnify and hold harmless the ARC from all costs, expenses and liabilities including attorney's fees incurred by virtue of any member of the ARC's service as a member of the ARC.

J. The ARC may adopt such further rules and regulations as it deems necessary to carry out its functions and purposes hereunder provided all such rules and regulations shall be filed with and made a part of the Association's minutes.

K. The ARC may impose reasonable fees and charges to enable it to carry out its functions.

L. The ARC may delegate any or all of its powers hereunder to a Neighborhood Association that enacts and enforces architectural control standards within such Neighborhood as stringent as set forth herein and in the Architectural Review Criteria.

ARTICLE XI COVENANTS FOR MAINTENANCE

Section 1. Maintenance by Owner. Each Owner shall keep all property owned by him or designated as his responsibility by Developer, and all improvements therein or thereon, in good order and repair, including but not limited to, the seeding, watering, and mowing of all lawns, the pruning, and cutting of all trees and shrubbery, replacement of dead, diseased or destroyed landscaping materials with plant material of equal quality and size, and the painting (or other appropriate external care) of all buildings and other improvements and external appurtenances, all in a manner and with such frequency as is consistent with good property management. Each Owner's responsibility for maintaining the landscaping on his Residential Unit shall also include any landscaped area within a right-of-way interior to that Owner's Neighborhood, which is adjacent to and contiguous with the Owner's Residential Unit. Developer and the Association have the power, but not the obligation, to adopt minimum maintenance standards in connection with each Residential Unit and the improvements located thereon. Such standards shall be in addition to those obligations of the Owners as stated in this Article and may be amended from time to time by the Developer or Association. Any minimum maintenance standards established pursuant to this Article need not be recorded. If any Owner fails to perform the duties in this Section, Developer or the Association shall have the right (but not the obligation), through its

agents and employees, to enter upon the Residential Unit in question and to repair, maintain, repaint and restore the Residential Unit to good order and repair all without liability or responsibility for trespass or injury to property in the course of performing the acts set forth in this Article; provided, however, Developer or the Association (as the case may be) shall first have given the Owner seventy-two (72) hours notice of the failure to comply with this section and the Owner shall have failed to cure such non-compliance. The cost of such restoration shall be assessed and be a binding, personal obligation of the Owner, as well as a lien (enforceable in the same manner as any other assessment provided for herein) upon the Residential Unit or parcel in question. Any such lien shall be subordinate to the lien of an Institutional Lender.

Section 2. Lake Area Maintenance. Certain Residential Units are located adjacent to lakes or other water bodies. Each Owner of such a Residential Unit shall have the responsibility of sodding, irrigating, mowing and maintaining the abutting land area located between the lake-front lot line of his Residential Unit and the littoral zones of the lake. Littoral plants along lake banks and in the lakes are part of the water quality and mitigation programs for the Property. The maintenance of these plants is the responsibility of the CDD and they are not to be destroyed, damaged, or removed except as authorized by the CDD.

Section 3. Security. Developer, the CDD or the Association may, but shall not be obligated to, maintain or support certain activities within the Property designed to make them safer than they otherwise might be. Neither Declarant, Developer, Association nor the CDD shall in any way be considered insurers or guarantors of security within the Property, nor shall any of them be held liable for any loss or damage by reason of failure to provide adequate security or of any effectiveness of security measures undertaken. No representation or warranty is made that any fire protection system, burglar system, or other security system cannot be compromised or circumvented, nor that any such systems or security measures undertaken will in all case prevent loss or provide detection or protection for which the system is designed or intended. Each Owner acknowledges, understands, and covenants to inform the occupants of its Residential Unit, as the case may be, the Declarant, the CDD, and the Association are not insurers and that each person using the Property assumes all risks for loss or damage to persons, property, dwelling, and to the contents of dwellings, Residential Units resulting from the acts of third parties.

ARTICLE XII INSURANCE

Owner's Insurance. By virtue of taking title to a Residential Unit, each Owner covenants and agrees with all other Owners and with the Association that each such Owner shall carry casualty insurance on the property and structures constructed thereon in the maximum amount reasonably available to cover the replacement cost of any repair or reconstruction in the event of damage or destruction from any insured hazard. Each Owner further covenants and agrees that in the event of a partial loss or damage and destruction resulting in less than total destruction of structures comprising the Residential Unit, the Owner shall proceed promptly to repair or to reconstruct the damaged structure in a manner consistent with the original construction

or such other plans and specifications as are approved in accordance with this Declaration. In the event the proceeds of the insurance is insufficient to cover the cost of repair or reconstruction, or if the structure is totally destroyed, the Owner may elect not to rebuild or to reconstruct, in which case the Owner shall clear the Lot of all debris and return it to substantially the natural state in which it existed prior to the beginning of construction and thereafter the Owner shall continue to maintain the Lot in a neat and attractive condition. Any repair or reconstruction undertaking by Owner shall be commenced within thirty (30) days of the damage and completed within six (6) months thereafter. In the event an Owner fails to complete repair or restructure within such period or fails to remove all debris from the Lot, the Association shall be authorized to enter upon the Lot to remove any structures from the Lot and return it to its natural condition or make such repairs as may be required or complete construction as the case may be, both after thirty (30) days prior written notice to the Owner. All expenses incurred by the Association pursuant to actions taken under this paragraph shall become liens upon the Lot(s) involved.

ARTICLE XIII ASSESSMENTS

Section 1. Panther Trace II Community Development District. Each Owner is subject to such assessments as may be levied by the CDD. Assessment of the CDD are in addition to and not in lieu of assessments of the Association.

Section 2. Creation of the Lien and Personal Obligations of Assessments. The Declarant covenants, and each Owner of any Lot or Residential Unit shall by acceptance of a deed therefore, regardless of whether it shall be so expressed in any such deed or other conveyance, be deemed to covenant and agree to all their terms and provisions of this Declaration and to pay the Association: (1) annual assessments, (2) special assessments and (3) individual assessments together with such interest thereon and costs of collection therefore shall be a charge and continuing lien as provided herein on the real property and improvements thereon of the Owner against whom each such assessment is made. Each such assessment, together with such interest thereon and cost of collection, shall also be the personal obligation of the person who was the Owner of such real property at the time when the assessment first became due and payable. The liability for assessments may not be avoided by waiver of the use or enjoyment of any Common Property or by the abandonment of the property against which the assessment was made. In the case of co-ownership of Residential Unit, all of such co-Owners shall be jointly and severally liable for the entire amount of the assessment.

Section 3. Purpose of Annual Assessments. The annual assessments levied by the Association shall be used exclusively for the operation of the Common Property it owns (if any) and to provide services which the Association is authorized or required to provide including, but not limited to, the payment of taxes, the acquisition of insurance as contemplated by this Declaration, compliance with the covenants contained in Article VIII hereof, rental of necessary facilities, payment of the costs to acquire labor, equipment, materials, management and supervision necessary to carry out its authorized function, and for the payment of principal,

interest and any other charges connected with loans made to or assumed by the Association for the purpose of enabling it to perform its authorized or required functions. Association may also assess pursuant to Article IX, Section 6.

Section 4. Special Assessment. In addition to the annual assessments authorized by Section 2 hereof, the Board of Directors may levy in any assessment year a special assessment for the purpose of defraying, in whole or in part, the costs of any acquisition, construction or reconstruction, unexpected repair or replacement of a capital improvement upon Common Property it owns or easements including the necessary fixtures and personal property related thereto, provided that any such assessment shall have the affirmative majority vote or written consent of Owners, both Class "A" and Class "B" voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all Members at least thirty (30) days in advance and shall set forth the purpose of the meeting. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirement and the required quorum at any such subsequent meeting shall be seventy per cent (70%) of the required quorum at the preceding meeting, provided that no such subsequent meeting shall be held more than sixty (60) days following the preceding meeting at which a quorum is present.

Section 5. Individual Assessments. The Association may impose an individual assessment upon any Owner whose use or treatment of his Residential Unit is not in conformance with the standards as adopted by the Association or which increases the maintenance cost to the Association above that which would result from compliance by the Owner with the use restrictions imposed by this Declaration. The amount of such assessment shall be equal to such cost incurred and may be enforced in the manner provided for any other assessment.

Section 6. Date of Commencement of Annual Assessments; Due Dates. The annual assessments provided for herein shall be due and payable in advance with the first such quarter beginning on January 1, or such other time as may be determined by the Board of Directors. Assessments for an initial Owner of a Residential Unit shall be pro-rated on the date of transfer. At the option of the Board, the payment of assessments may be changed to a more frequent basis.

The Developer, its successors or assigns are required hereby to contribute sufficient funds to the Association to make up any shortfalls in the Association's budget each month in lieu of being required to pay Association assessments for units owned by Declarant; provided that Developer shall be liable after Turnover only with respect to Lots owned by the Declarant and shall not be liable for any per Lot assessment greater than the amount of assessment owed by a non-declarant. Subsequent to Turnover, Developer shall commence paying the same assessment levied by the Board against all other Owners within the properties. Developer may be excused from the payment of assessments for any property owned by Declarant during such period of time that it funds any deficits in operating expenses of the Association. In calculating such deficit, only actual current expenses (other than reserves and funds which are chargeable to Owners as Special Assessments) shall be computed. Neither Declarant nor Developer shall not have an obligation to contribute to reserves for a period of two years from the date of recordation of this Declaration. Developer and Declarant may, at any time and from time to time, be relieved of its obligation to

fund deficits by electing, for any assessment period or periods or parts thereof, to pay assessments imposed on Lots for which it is the Owner; provided, however, that no assessment shall be due from Declarant for any Lot unless and until a certificate of occupancy is issued for a Residential Unit constructed thereon.

The first annual budget of the Association shall be based upon an estimate of the operating expenses for the year plus adequate reserve for anticipated expenses. In the event this assessment proves insufficient to satisfy such expenses, the Board of Directors shall levy a supplementary assessment in the amount of the deficit. Notwithstanding any other provision herein, the supplementary assessment shall not require the assent of the Members. The Developer and Declarant may be excused from payments attributable to reserves.

The due date of any special assessment under Section 4 hereof shall be fixed in the resolution authorizing such assessment.

Written notice of the assessment shall thereupon be sent to every Owner subject thereto.

Section 7. Duties of the Board of Directors. The Board of Directors shall prepare a roster of Owners and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner, at any reasonable business hour.

The Association shall, upon reasonable request, furnish to any Owner liable for such assessment a certificate in writing signed by an officer of the Association, setting forth whether such assessment has been paid. Such certificate shall be prima facie evidence of payment of any assessment therein stated to have been paid.

Section 8. Determination of Annual Assessments. It shall be the duty of the Board of Directors, at least sixty (60) days before the beginning of the fiscal year, to prepare a budget estimating the expenses during the coming year. The Board shall cause a copy of the budget and the amount of assessments to be levied against each Lot for the following year to be delivered to each Owner at least thirty (30) days prior to the end of the current fiscal year. The budget and assessments shall become effective unless disapproved at a meeting of the Members by a majority vote of Class "A" and Class "B" Members or their alternates. There shall be no obligation to call a meeting for the purpose of considering the budget except on petition of the Members as provided for special meetings in Article IV, Section 2, of the Bylaws. The Board of Directors shall determine the total annual assessment for the Properties consistent with this Section 8 and in accordance with the procedures set forth in the bylaws of the Association.

Section 9. Allocation of Assessments. The total assessment attributable to Common Property and maintenance obligations of the Association (exclusive of the individual assessments provided for in Section 4) shall be determined in the manner more particularly set forth in the bylaws of the Association; provided, however, that the bylaws shall require that the total annual assessment shall be apportioned as follows:

A. The Board of Directors shall adopt a budget for each calendar year to provide for the operation and maintenance of the Association. Assessments shall be on a per Lot basis and shall be equal to the amount of the adopted budget divided by the total number of all Lots within Panther Trace II.

B. All assessments shall be payable in advance at such intervals, or annually, as the Board may determine; provided, however, that initial assessments shall be due upon transfer from Declarant to Owner, prorated to the date of transfer.

C. Developer guarantees that annual assessments shall not exceed One Hundred and 00/100 Dollars (\$100.00) per Lot through calendar year 2006.

Section 10. Effect of Non-Payment of Assessment; The Personal Obligation of the Owner; The Lien; Remedies of Association. If the assessments are not paid on the date due (being the dates specified in Section 6 hereof) then such assessment shall become delinquent and shall, together with interest thereon and cost of collection thereof as hereinafter provided, thereupon become a continuing lien on the property which shall bind such property in the hands of the then Owner, his heirs, devisees, personal representatives and assigns. The obligation of the Owner to pay such assessment, however, shall remain his personal obligation. The Association may record a notice of lien for delinquent assessments in the public records and foreclose the lien in the same manner as a mortgage. The lien shall not be valid against subsequent bona fide purchasers or mortgagees for value of a Lot, unless so recorded. Upon recording, the lien shall secure the amount of delinquency stated therein and all unpaid assessments thereafter until satisfied of record.

If the assessment is not paid within thirty (30) days after the delinquency date, the assessment shall bear interest from the date of delinquency at the maximum rate allowed by law, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and there shall be added to the amount of such assessment the costs of preparing and filing the complaint in such action. In the event a judgment is obtained, such judgment shall include interest on the assessment as above-provided and a reasonable attorneys' fee to be fixed by the court together with the costs of the action.

Section 11. Subordination of the Lien to the Mortgages; Mortgagees' Rights. The lien of the assessments provided for herein is unequivocally subordinate to the lien of any first mortgage to an Institutional Lender now or hereafter placed upon a Lot subject to assessment prior to the recording in the public records of a notice stating the amount of or unpaid assessment attributable to such Lot, provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to a sale or transfer of such property pursuant to a decree of foreclosure, or any other proceeding in lieu of foreclosure, including a sale or transfer of such property pursuant to a deed in lieu of foreclosure. Such sale or transfer shall not relieve such property from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessment. An Institutional Lender, upon request, shall be entitled to written notification from the Association of any default of an Owner of any obligation hereunder

which is not cured within sixty (60) days. An Institutional Lender may pay taxes or other charges which are in default and which may or have become a charge against any Common Property and may pay overdue premiums or hazard insurance policies or secure new hazard insurance coverage on the lapse of a policy for such Common Property and mortgagees making such payments shall be owed immediate reimbursement therefore from the Association.

Section 12. Exempt Property. The following property subject to this Declaration shall be exempted from the assessments, charge and lien created herein: (a) all properties to the extent of any easement or other interest therein dedicated and accepted by the local public authority and devoted to public use; (b) all Common Property and any improvements thereon; (c) Commercial Property; and (d) any property not dedicated a residential Lot.

Section 13. Collection of Assessments. Assessments allocated to any Lot shall be collected by the Association.

Section 14. Costs of Collection. The Association shall be entitled to its costs of collection and attorneys' fees from any Owner against whom an assessment must be enforced.

ARTICLE XIV USE OF PROPERTY

Section 1. Limitations. Nothing shall be erected, constructed, planted or otherwise placed in the Properties in such a position (subsequent to the initial construction of improvements on the Properties by Developer) so as to create a hazard upon or block the vision of motorists upon any of the streets or roads. No improvement or modification or alteration of an improvement shall interfere with those easements or other rights which are set forth in this Declaration.

Section 2. Building Restrictions. All building construction on the Properties shall comply with the provisions of the Architectural Review Criteria on file with the Association. No improvement or modification shall interfere with those easements or other rights set forth in this Declaration. In the event an Owner commences but fails to complete the construction, repair or reconstruction of a residence within twelve (12) months from the date of commencement, the Developer or the Association shall be authorized to enter upon the Lot after thirty (30) days prior written notice to the Owner (i) to remove any structures from the Lot and return it to its natural condition, (ii) make such repairs as may be required or (iii) complete construction as the case may be. All expenses incurred by the Developer or the Association pursuant to actions taken under this paragraph shall become liens upon the Lot(s) involved. The rights hereunder shall be in addition to and not in lieu of the rights of the Association in Article XI hereof.

Section 3. Service Yards. All garbage receptacles, fuel tanks, gas meters, air conditioning and heating and pool equipment and materials, supplies and other equipment which are placed or stored outside must be placed or stored in such a way to conceal them from view

from roads and adjacent properties. Any such visual barrier shall be at least thirty-six inches (36") high and may consist of either walls or fencing with landscaping and planting which is approved by the ARC, in accordance with applicable governmental regulations.

Section 4. Residential Use. No commercial use of Properties, which would require an occupational license shall be permitted unless approved by the Board of Directors. No trade, business, or profession of any kind may be conducted on any Residential Unit, except for the business of Declarant and its transferees in developing the Property, and except that an Owner or occupant residing on a Residential Unit may conduct business activities within such Unit so long as: (i) the existence or operation of the activity is not apparent or detectable by site, sound, or smell from outside the dwelling; (ii) the activity conforms to all zoning requirements for the Residential Unit; (iii) the activity does not involve regular visitation by clients, customers, suppliers, or other business invitees, or door-to-door solicitation of residents of Panther Trace II; and (iv) the activity is consistent with the residential character of the Property.

Section 5. Nuisances. No nuisance shall be permitted to exist or operate in the Properties or in the Common Property so as to be detrimental to any other Neighborhood in the vicinity thereof, or to its occupants, or to the Common Property.

Section 6. Unlawful or Offensive Use. No immoral, improper, offensive or unlawful use shall be made of the Properties or any part thereof. All applicable laws, zoning ordinances, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereof, relating to any portion of the Properties, shall be complied with, by and at the sole expense of the Owner or the Association, whichever shall have the obligation to maintain or repair such portion of the Properties. No waste will be committed in the Common Property.

Section 7. Insurance. Nothing shall be done or kept in the Properties or in the Common Property, which will increase the rate of insurance for the Properties. No Owner shall permit anything to be done or kept in or on his Residential Unit or Multifamily Residential Unit in or in the Common Property which will result in the cancellation of insurance on the Common Property, or the contents thereof, or which would be in violation of any law.

Section 8. Access. Owners shall allow the Board of Directors or the agents and employees of the Association to enter the Properties for the purpose of maintenance, inspection, repair, replacement of the improvements within the Properties, or in case of emergency for any purpose, or to determine compliance with this Declaration.

Section 9. Pets. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except that are pets of the customary household variety such as cats, dogs, pet birds and fish may be kept by an Owner, but only if such pets do not cause a disturbance or a nuisance on the Properties. Notwithstanding the foregoing, dogs weighing in excess of ninety (90) pounds and all pit bulls and other dogs that have demonstrated vicious tendencies shall not be permitted. Notwithstanding the foregoing, the following shall apply with regard to any pet, which is allowed to be kept in or on a Residential Unit:

A. Owners of a cat or dog shall be required to keep same on a leash at all times unless kept in an enclosed area.

B. Owners of a cat or dog shall be required to remove immediately all forms of excrement of such pets from the Properties, including, but not limited to, lawns, walks, driveways, and parking areas, and such pets shall not be allowed to deposit excrement in any manner, or in any place, that would in any manner change or deface the Property, including any alteration in the uniformity of appearance of the lawn or landscaped areas.

C. No pet will be allowed which creates excessive noise, emits noxious odors, creates unsafe or unhealthy living conditions, or other disturbances of any kind, whether on a continuous or intermittent basis, and regardless of the time of day or night.

D. Any Owner of a pet allowed hereunder who is the subject of three (3) justifiable complaints of violation hereunder shall permanently remove the pet from the Owner's Residential Unit upon notice of same from the Board of Directors, and said Owner shall not be allowed to have any pets within the Residential Unit at any time thereafter, except upon the express written consent of the Board of Directors.

Nothing herein shall be deemed to prohibit the use and ownership of a dog trained to assist a disabled person.

Section 10. Signs. Except as may be required by legal proceedings, no sign, advertisement or notice of any type or nature whatsoever may be erected or displayed upon any Lot, yard, Common Property, or other common area within the Properties, or from any window, vehicle or tree, unless express prior written approval of the size, shape, content and location has been obtained from the ARC, which approval may be withheld in their discretion. If after demand and reasonable notice to Owner, such Owner has not removed an un-approved sign, the Association may, through a representative, enter the Owner's premises and remove such sign without liability therefore. Owner hereby grants a license to the Association for such purpose. Notwithstanding the foregoing, the Developer and its designees and assigns shall be permitted to post and display advertising signs on the Property and the Board of Directors may erect reasonable and appropriate signs on any portion of the Common Property.

Section 11. Outside Lighting. Except as may be installed initially by Developer, no spotlights, floodlights or similar high intensity lighting shall be placed or utilized upon any Residential Unit which in any way will allow light to be reflected on any other Lot or the improvements thereon or upon any Common Property or any part thereof without the written authorization of the Board of Directors. Other types of low intensity lighting, which do not disturb the Owners, or other occupants of the Properties shall be allowed. Holiday lighting and decoration shall be permitted to be placed upon the exterior portions of a residence and upon the lot in the manner permitted hereunder during a period commencing on Thanksgiving and continuing through January 15 of the following year, after which such lighting shall be removed. Lighting and decoration for any holiday other than that referenced above shall be permitted

commencing 15 days prior to said holiday and continuing for 15 days following said holiday, after which time said lighting and decoration shall be removed. The ARC may establish standards for holiday lights and may require the removal of any lighting that creates a nuisance.

Section 12. Campers, Etc. No campers or vans over fourteen feet (14') in length, go-carts, all-terrain vehicles (ATVs) or trucks in excess of three quarter (3/4) ton shall be allowed on the Common Property or anywhere within the Properties except as approved by the Board of Directors in its discretion, and except as follows: such vehicles shall be permitted within the Properties if parked entirely out of sight or if parked only temporarily within the Properties, i.e., not overnight. The Board of Directors of the Association may make reasonable rules concerning the use of mopeds and motorcycles on the Properties.

Section 13. Visibility at Street Intersections. No obstruction to visibility at street intersections shall be permitted. The ARC shall have the right but not the obligation to adopt additional restrictions concerning the height and type of trees and shrubs within the Residential Property.

Section 14. Clotheslines. No clothesline, or other outdoor clothes-drying facility shall be permitted except as permitted by the ARC.

Section 15. Garbage and Trash Containers. No garbage or trash shall be placed anywhere except as aforesaid and no portion of the properties shall be used for dumping refuse.

Section 16. Antennas, Other Devices. No exterior radio or television antenna, satellite dish or other receiver transmitting device or any similar exterior structure or apparatus may be erected or maintained except pursuant to standards adopted by the ARC.

Section 17. Air Conditioners. Air conditioning units shall be shielded and hidden so that they are not readily visible from the Common Property, or adjacent parcels. No window or through-wall air conditioning units shall be installed in any Residential Unit except as approved by the ARC.

Section 18. Flags. A flagpole for display of the flag of the United States only shall be permitted subject to the approval of the ARC. No such flagpole shall be used as an antenna. The maximum height of a flagpole shall not exceed the eave line of the Residential Units within Panther Trace II.

Section 19. Solar Equipment. Solar hot water heating and equipment constructed or used in connection with a Residential Unit shall not be visible from any road within the Properties.

Section 20. Window Treatments. Window treatments for Residential Units shall be compatible with exterior design and color.

Section 21. Temporary Structures. No structure of a temporary character, trailer, tent, shack, barn, shed or other outbuilding shall be permitted at any time, other than:

- A. Cabanas and gazebos appurtenant to a swimming pool, as approved by the ARC.
- B. Temporary structures during the period of actual construction as approved by the ARC; and
- C. Tents or other temporary structures for use during social functions.

Section 22. Water Supply and Sewerage. No septic tanks shall be permitted within the Properties. No Owners shall install a well unless approved by the ARC. The Association or the CDD shall be authorized to install wells.

Section 23. Fuel Storage Tanks. No fuel or gas storage tanks shall be permitted; provided, an Owner may keep and maintain a small gas tank (not visible from any road within Panther Trace II for gas barbecues, fireplaces and hot tubs with the approval of the ARC.

Section 24. Garages. Garage doors shall be kept closed except when automobiles are entering or leaving the garage. Only the number of cars exceeding occupied garage spaces shall be parked on the driveway.

Section 25. Soliciting. No soliciting will be allowed at any time within the Properties.

Section 26. Maintenance. The portions of the Residential Property visible from other Residential Units, the roads or from any recreational areas and facilities, must be kept in an orderly condition so as not to detract from the neat appearance of the Properties. The Board of Directors, may determine whether or not such visible portions are orderly. The Association may have any objectionable items removed so as to restore its orderly appearance, without liability therefore, and charge the Owner for any costs incurred in the process.

Section 27. Trees. No trees greater than two inches (2") in diameter at breast height shall be cut or removed without approval of the ARC.

Section 28. Mailboxes. Builders or Residential Unit Owners shall provide and install, and Owner shall maintain all mailboxes and standards, brackets and name signs for such boxes at the Owner's expense in such location and of such size, color and design as approved by the ARC.

Section 29. Watercraft. No Owner may store or park a boat, other watercraft and/or boat trailer within his Lot, except within a full-enclosed garage. Docks, davits, ramps, outbuildings or any structure designed for the use of a boat or watercraft within a Lot are expressly prohibited.

Section 30. Fences and Walls. Fences and walls shall comply with Specifications adopted by the Association and approved by the ARC. Any other fence or wall may be constructed only upon the prior written approval of the ARC. In no event shall any Owner construct a fence or wall, which impairs the view of a Conservation Area or lake from any other Lot or Common Property.

Section 31. Motor Vehicles, Trailers, Etc. Subject to the terms of this Section, there shall be no outside storage or parking within any parcel or within any portion of the Common Property (other than areas provided therefore within the Common Property, if any) of any boat, mobile home, trailers (either with or without wheels), motor home, tractor, truck, commercial vehicles or any type, camper, motorized camper or trailer, motorized go-cart or any other related forms of transportation devices. No Owners or other occupants of any portion of the Properties shall repair or restore any vehicle of any kind upon or within the Properties or within any portion of the Common Property, except for emergency repairs and then only to the extent necessary to enable the movement thereof to a proper repair facility. Vehicles shall be parked only within Lots on paved surfaces or designated areas; parking by Owners within street rights-of-way is prohibited and the Association is authorized to tow vehicles parked in violation hereof. Overnight parking in street rights-of-way by non-Owners shall be prohibited.

Section 32. Developer's Sales and Construction Activities. Notwithstanding any provisions or restrictions contained in this Declaration to the contrary, it shall be expressly permissible for Developer and its agents, employees, successors and assigns to maintain and carry on such facilities and activities as may be reasonably required, convenient or incidental to the completion, improvement and sale or the developing of parcels and Lots, including, without limitation, the installation and operation of sales and construction offices, signs and model dwellings. The location of any construction offices by Developer shall be subject to Developer's control. The right to maintain and carry on such facilities and activities shall include specifically the right to use Residential Units as model residences, and to use any Residential Unit for related activities. The Developer's right of use, as described hereinabove, shall continue even after conveyance of all of the Common Property to the Association.

Section 33. Delivery and Construction Hours. No construction activities, other than work to be performed on the inside of a Residential Unit which is enclosed, and no delivery of construction materials shall be permitted between the hours of 7 p.m. and 7 a.m. of the following day.

Section 34. Construction Material Storage. Storage of construction material associated with construction in Panther Trace II shall be screened from view as provided in the Architectural Review Criteria.

Section 35. Recreation Equipment. All basketball courts, backboards, volleyball nets, swing sets, sandboxes and other outdoor recreational equipment shall be installed, maintained or used only in the rear of a residence and shall not be installed or located in such manner as to be exposed to view from any public or private street, unless expressly approved by the ARC.

Section 36. Lawns and Landscaping. The design and maintenance of lawns and landscaping shall be governed by the ARC. No gravel, blacktop or paved parking strips shall be installed or maintained by any Owner adjacent to and along the street.

Section 37. Reflective Film. No reflective film or similar other type of window treatment shall be placed or installed on the inside or outside of any unit without the prior written consent of the ARC.

Section 38. Leasing. No Owner shall lease less than the entire Lot or lease the Lot for a period of less than twelve (12) months or more than once in any calendar year.

Section 39. Subdivision. No Lot shall be further subdivided except upon express written consent of the Board of Directors of the Association and in accordance with applicable governmental regulations.

Section 40. General Restrictions on Common Property. No owner shall obstruct any part of the Common Property, nor shall any Owner keep or store anything on the Common Property. No person other than Declarant or the CDD, or their appointed agents, may alter, construct upon, or remove anything from the Common Property. All uses and activities upon or about the Common Property are subject to the rules and regulations of Declarant and the CDD.

Section 41. Protection of Environmentally Sensitive Lands. No owner of property within the subdivision may construct or maintain any building, residence, or structure, or undertake or perform any activity in the wetlands, wetland mitigation area(s), buffer area(s), upland conservation area(s) and drainage easement(s) described in the approved permit and recorded plat of the subdivision, unless prior approval is received from the Southwest Florida Water Management District Brooksville Regulation Department.

Section 42. Compliance with Surface Water Management System. Each property owner within the subdivision at the time of construction of a building, residence, or structure shall comply with the construction plans for the surface water management system approved and on file with the Southwest Florida Water Management District (SWFWMD). Such approved system may include the use of yard swales within Lots. The surface water management system facilities include, but are not limited to: all inlets, ditches, swales, culverts, water control structures, retention and detention areas, ponds, lakes, flood plain compensation areas, wetlands and associated buffer areas and wetland mitigation areas. All such facilities shall be maintained by the CDD.

Section 43. Regulation of Uses. Notwithstanding anything to the contrary contained herein, Developer reserves, until such time as Developer transfers control of the Association to the Owners, the right to regulate the use of the Properties through the establishment and publication, and amendment or rescission, of Rules and Regulations.

ARTICLE XV
ENFORCEMENT OF COVENANTS AND ABATEMENT OF VIOLATIONS

Section 1. Association Litigation. Except as provided in this section, the Association shall not commence a judicial or administrative proceeding without prior approval of at least seventy five percent (75%) of the voting members. This section shall not apply, however, to (a) actions brought by the Association to enforce the provisions of the governing documents (including, without limitation, the foreclosure of liens); (b) the imposition and collection of assessments as provided in Article IV; (c) proceedings involving challenges to ad valorem taxation; or (d) counterclaims brought by the Association in proceedings instituted against it. This section shall not be amended unless such amendment is approved by the percentage of votes, and pursuant to the same procedures, necessary to institute proceedings as provided above.

Section 2. Alternative Dispute Resolution. The Declarant, the Association, its officers, the Directors, and committee members, all persons subject to this Declaration and any person not otherwise subject to this Declaration who agrees to submit to this Article (collectively, "Bound Parties") agree to encourage the amicable resolution of disputes involving the properties without the emotional and financial costs of litigation. Accordingly each Bound Party covenants and agrees to use good faith efforts to resolve those claims, grievances or disputes described in Section 3 ("Claims") using the procedures set forth in Section 4 ("Mandatory Procedures").

Section 3. Claims. Unless specifically exempted below, all Claims arising out of or relating to the interpretation, application or enforcement of the Governing Documents, or the rights, obligations and duties of any Bound Party under the Governing Documents, or relating to the design or construction of improvements on the Properties, shall be subject to the provisions of Section 5.

Notwithstanding the above, unless all parties thereto otherwise agree, or unless prohibited by applicable Florida law, the following shall not be Claims and shall not be subject to the provisions of Section 4:

(a) any suit by the Association against any Bound Party to enforce the provisions of Article IV (Association finances);

(b) any suit by the Association to obtain a temporary restraining order (or equivalent emergency equitable relief) and such other ancillary relief as the court may deem necessary in order to maintain the status quo and preserve the Association's ability to enforce the provisions of Article V (Architectural Control) and Article VI (General Covenants and Restrictions);

(c) any suit between Owners which does not include the Declarant or the Association as a part, if such suit asserts a Claim which would constitute a cause of action independent of the Association Documents;

(d) any suit in which any indispensable party is not a Bound Party; and

- (e) any suit which otherwise would be barred by any applicable statute of limitations.

With the consent of all parties thereto, any of the above may be submitted to the alternative dispute resolution procedures set forth in Section 4.

Section 4. Mandatory Procedures.

(a) Notice. Any Bound Party having a Claim ("claimant") against any other Bound Party ("Respondent") (collectively, the "Parties") shall notify each Respondent in writing (the "Notice") stating plainly and concisely:

1. the nature of the Claim, including the Persons involved and Respondent's role in the Claim;
2. the legal basis of the Claim (i.e., the specific authority out of which the Claim arises);
3. Claimant's proposed remedy; and
4. that Claimant will meet with Respondent to discuss in good faith ways to resolve the Claim.

(b) Negotiation.

1. The Parties shall make every reasonable effort to meet in person and confer for the purpose of resolving the Claim by good faith negotiation.
2. Upon receipt of a written request from any Party, accompanied by a copy of the Notice, the Board may appoint a representative to assist the Parties in resolving the dispute by negotiation, if the Association is not a Party and the Board, in its discretion, believes its efforts will be beneficial to the Parties and to the welfare of the community.

(c) Mediation

1. If the Parties do not resolve the Claim through negotiation within 30 days of the date of the Notice (or within such other period as may be agreed upon by the Parties) ("Termination of Negotiations"), Claimant shall have 30 additional days within which to submit the Claim to mediation pursuant to the provisions of Rule 1.700 of the Florida Rules of Civil Procedure.
2. If Claimant does not submit the Claim to mediation within 30 days after Termination of Negotiations, or does not appear for the mediation, Claimant shall be deemed to have waived the Claim, and Respondent shall be released and discharged from any and all liability to Claimant on account of such Claim; provided, nothing herein shall release or discharge Respondent from any liability to Persons not a Part to the foregoing proceedings.

3. Any settlement of the Claim through mediation shall be documented in writing by the mediator. If the Parties do not settle the Claim within 30 days after submission of the matter to the mediation process, or within such time as determined by the mediator, the mediator shall issue a notice of termination of the mediation proceedings ("Termination of Mediation"). The Termination of Mediation notice shall set forth that the Parties are at an impasse and the date that mediation was terminated.

(d) Arbitration

1. If the Parties do not resolve the Claim through mediation, the Claimant shall have 30 days following termination (as determined by the mediator) of the mediation proceedings ("Termination of Mediation") to submit the Claim to arbitration in accordance with the Rules of Arbitration contained in Exhibit "D" or the Claim shall be deemed abandoned, and the Respondent shall be released and discharged from any and all liability to Claimant arising out of such Claim; provided, nothing herein shall release or discharge the Respondent from any liability to Persons not a Party to the foregoing proceedings.

2. Unless the Parties agree in writing to be bound by the arbitrator's decision (the "Award") prior to the commencement of arbitration proceedings under the foregoing paragraph, any Party shall be free to reject the Award and sue in any court of competent jurisdiction or initiate proceedings before any appropriate administrative tribunal.

Section 5. Allocation of Costs of Resolving Claims.

(a) Each Party shall bear all of its own costs incurred prior to and during the proceedings described in Section 4 (a), (b), and (c) , including the fees of its attorney or other representative. Each Party shall share equally all charges rendered by the mediator(s) pursuant to Section 4(c).

(b) Each Party shall bear all of its own costs (including the fees of its attorney or other representative) incurred after the Termination of Mediation under Section 5(c) and shall share equally in the costs of conducting the arbitration proceeding (collectively, "Post Mediation Costs"), except as otherwise provided in this subsection.

If any of the Parties rejects the Award and pursues a judicial resolution under Section 4(d)(2), and the final judgment is either the same as the Award or more advantageous to any nonrejecting Party, each such nonrejecting Party shall be entitled to recover its Post Mediation Costs from the rejecting Party. If there is more than one rejecting Party, such nonrejecting Party's Post Mediation Costs shall be allocated pro rata among all rejecting parties.

Section 6. Enforcement of Resolution If the Parties agree to resolve any Claim through negotiation or mediation in accordance with Section 4 and any Party thereafter fails to abide by the terms of such Agreement, or if the Parties agree to accept the Award following arbitration and any Party thereafter fails to comply with such Award, then any other Party may file suit or initiate administrative proceedings to enforce such agreement or Award without the need to again comply with the procedures set forth in Section 4. In such event, the Party taking

action to enforce the agreement or Award shall be entitled to recover from the non-complying Party (or is more than one non-complying Party, from all such Parties pro rata) all costs incurred in enforcing such agreement or Award, including, without limitation, attorneys' and paralegals' fees and court costs.

Section 7. Penalties. Subject to limitations of applicable law, if the Board of Directors of the Association deems it necessary, it may bring an action at law or in equity (including an action for injunctive relief) in the name of the Association, to enforce the Declaration and the Rules, Regulations and Resolutions of the Association. In the event any such action is instituted, the Association shall, in addition, be entitled to recover its costs and attorney's fees incurred in enforcing the Governing Documents.

Enforcement of these covenants and restrictions shall be in accordance with Florida Statutes by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction, either to restrain violation or to recover damages, and against the land to enforce any lien created by these covenants; and failure by the Association or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Violation of any conditions or restrictions or breach of any covenant herein contained shall also give the Developer, its successors and assigns, and/or the Association and its authorized agent or representative, in addition to all other remedies, the right to enter upon the land on which such violation or breach exists and summarily to abate and remove, at the expense of the Owner of said land, any construction or other violation that may be or exist thereon contrary to the intent and provision hereof; and the Developer, its successors and assigns and/or the Association and its authorized agents shall not thereby become liable in any manner for trespass, abatement or removal.

Section 8. Fines. In addition to all other remedies, in the sole discretion of the Board of Directors of the Association, a fine or fines may be imposed upon an Owner for failure of an Owner, his family, guests, invitees, tenants, or employees to comply with any covenant, restriction, rule, or regulation, contained herein and rules or regulations promulgated under the Articles of Incorporation or Bylaws of the Association, provided the following procedures are adhered to:

A. Notice: The Association shall notify the Owner of the infraction or infractions at least fifteen (15) days prior to a hearing before the Board of Directors. Included in the notice shall be the date and time of the next Board of Directors meeting at which time the Owner shall present reasons why penalty(ies) should not be imposed.

B. Hearing: The noncompliance shall be presented to the Board of Directors after which the Board of Directors shall hear reasons why penalties should not be imposed. A written decision of the Board of Directors shall be submitted to the Owner by not later than twenty one (21) days after the Board of Director's meeting.

C. Appeal: Any person aggrieved by the decision of the Board of Directors as to a noncompliance may, upon written request to the Board filed within seven (7) days of the Board's decision, file an appeal. An appeals committee will be appointed by the Board within seven (7) days of the request and shall consist of three (3) non-interested members of the Association. The appeals committee will meet and file a written determination of the matter and serve copies on both the Board and the aggrieved person. In no case shall the appeals committee's findings be binding on either Party; however, the Board may elect to review its decision in light of the findings of the appeals committee. A failure by an Owner to file an appeal shall be deemed to be a waiver of any further legal remedies relating to the infraction.

D. Penalties: The Board of Directors may impose fines of up to One Hundred Dollars (\$100.00) per violation or each day of a continuing violation and use its reasonable discretion in determining a maximum aggregate fine which may not exceed any limitation in Chapter 720, Florida Statutes. The Board may further suspend, for a reasonable time, the rights of the Owner or Owner's guest, tenants or invitees to use Common Areas and recreational facilities.

E. Payment of Penalties: Fines shall be paid not later than thirty (30) days after notice of the imposition or assessment.

F. Application: All monies received from fines shall be allocated as directed by the Board of Directors.

G. Nonexclusive Remedy: These fines shall not be construed to be exclusive, and shall exist in addition to all other rights and remedies to which the Association may be otherwise legally entitled; however, any penalty paid by the offending Owner shall be deducted from or offset against any damages that the Association may otherwise be entitled to recover by law from such Owner.

ARTICLE XVI SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT

Section 1. Regulations. The following requirements of the Florida Department of Environmental protection ("DEP") and Southwest Florida Water Management District ("SWFWMD") shall apply to the Association and all Lots and Owners. With respect to any Lot, which abuts any detention system or water quality system, the Owner of such Lot shall not remove native vegetation (including cattails) that become established within the detention system or water quality system. As used herein the term "remove" shall include dredging, application of herbicides or cutting. It shall be the responsibility of said Lot Owner to consult with SWFWMD or such other governmental entity as has control or authority over such detention system or water quality system with respect to the care and maintenance thereof. It shall be the responsibility of such Lots Owners, at their sole expense, to maintain any land area between the rear of their Lot and the high water mark of any detention pond in such a fashion as to be reasonably acceptable to

the Association. No Owner may construct or maintain any building, residence or structure or undertake or perform any activity in the wetlands, buffer areas and upland conservation areas described in any approved permit or the Plat, unless prior approval is received from SWFWMD pursuant to Chapter 40D-4 of the Florida Administrative Code. Notwithstanding any other provision of this Declaration to the contrary, any such construction which would affect the surface water management system must have the prior approval of SWFWMD.

Section 2. Easement. A non-exclusive easement is hereby granted to the Developer, the Association, their successors and assigns for surface water, water management and drainage of the Properties. The surface water management and drainage system of the Properties shall be developed, operated, and maintained in conformance with the requirements of any controlling governmental authority. The surface water management and drainage systems shall be owned and operated by the Association except for any portion of the surface water management and drainage system that has been dedicated to a governmental authority. The Association shall maintain as a Common Expense the entire surface water management and drainage system within the properties, including, but not limited to, all lakes, swales, canals, swale areas, retention areas, culverts, pipes, pumps, catch basins, and related appurtenances regardless of whether or not same are natural or man-made within the properties or are owned by the Association. Such maintenance shall be performed in conformance with the requirements of any controlling governmental authority, and an easement for such maintenance is hereby created. The Association will have the right, but not the obligation, to maintain any portion of the surface water management and drainage system for the Properties which is owned and/or maintained by any controlling governmental authority, or which is outside of the properties. The Properties shall be required to accept surface water drainage from any other property pursuant to the requirements of any controlling governmental authority, and in connection therewith will have the right, but not the obligation, to maintain any portion of the surface water management system for such other property reasonably required in connection with the maintenance or operation of the surface water management system for the Properties.

Section 3. Maintenance.

(a) The Association or the CDD shall maintain, as part of the common elements, drainage structures for the properties and comply with conditions of the permits from the Southwest Florida Water Management District (hereafter, "SWFWMD" or the "District") for the Surface Water Management System. The Association, shall, when requested by Declarant, accept transfer of the SWFWMD permit for the development. The conditions may include monitoring and record keeping schedules, and maintenance. The Association is responsible for maintenance, repair and replacement of common elements and Surface Water Management System in perpetuity. Notwithstanding any other provisions of this Declaration to the contrary, the Association shall allocate sufficient funds in its annual budget for monitoring and maintenance of the wetland mitigation areas each year until the District determines that the mitigation area(s) is successful in accordance with the Environmental Resource Permit for the Property.

(b) The Association shall maintain, as part of the Common Areas, any areas designated on the Properties as mitigation areas for wetlands. The Association shall comply

with all applicable permit conditions for such areas, including monitoring and maintenance of wetland vegetation, and the replanting of wetland vegetation to meet required survival rates. The Association shall comply with all governmental regulations including, but not limited to, those of SWFWMD. The Association acknowledges and agrees that the District has the right to take enforcement measures, including a civil action for injunction and/or penalties, against the Association to compel it to correct any outstanding problems with the Surface Water Management System.

Section 4. Owner Responsibility.

(a) It shall be the responsibility of each property Owner within the subdivision at the time of construction of a building, residence, or structure, to comply with the construction plans for the surface water management system pursuant to Chapter 40D-4, F.A.C., approved and on file with SWFWMD, all other governmental regulations. All Owners shall be responsible for maintaining designed flow paths for side and rear drainage as shown in the permitted plans. If the constructed flow path is disturbed or modified, the Association has the authority to enter the Lot and reconstruct the intended flow pattern and assess the property owner for the expense.

(b) It is the Lot Owner's responsibility not to 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 should address any question regarding authorized activities within the wet detention pond to SWFWMD. Existing and mature native shrubs in any conservation buffer zone associated with a wetland and landward of the lake shall be maintained by the owner. Any removal or trimming of such vegetation is subject to the prior approval of SWFWMD.

(c) Lot Owners are notified that this Property is subject to the requirements of a permit issued by the Southwest Florida Water Management District. In addition, the Owner is required to obtain a Surface Water Management Permit in accordance with Chapter 40D-4, F.A.C. from SWFWMD prior to initiating any construction or alteration of a Surface Water Management System on this Property.

(d) No Lot Owner may construct or maintain any building, residence, or structure, or undertake or perform any activity in the wetlands, wetland mitigation areas, buffer areas, upland conservation areas and drainage easements described in the approved permit and recorded plat of the subdivision, unless prior approval is received from the Southwest Florida Water Management District Tampa Regulation Department.

ARTICLE XVII
DECLARANT'S USE OF THE PROPERTIES

Until Developer has closed sales of all its Lots or for as long as Declarant holds any interest by way of lease or mortgage in any Lot, neither the Owners, nor the Association nor anything contained herein or in the Governing Documents shall interfere with the construction of

the improvements and sale of the Lots. The Developer, or any person or business entity designated by the Developer, may make use of any Residential Unit or model erected upon the Properties which is owned or leased by the Developer as may facilitate such completion and sale, including but not limited to maintenance of general administrative or sale offices, the showing of the property and the display of signs.

ARTICLE XVIII RIGHT TO MODIFY OR CANCEL

Until such time as the last Lot which the Declarant holds for sale in the ordinary course of business is conveyed by the Declarant, it specifically reserves for itself, its successors and assigns and to the Association the absolute and unconditional right to amend, alter, modify, change, revoke, rescind, or cancel any or all of the restrictive covenants contained in this Declaration or hereinafter included in any subsequent Declaration; provided, however, that no such amendment, alteration, modification, revocation, rescission, or cancellation shall prejudice or otherwise impair the security, rights and priorities of any Mortgagee of record as to any of the Lots, the subject of this Declaration nor shall any such amendment be inconsistent with the provisions of the Master Declaration. Any Owner hereunder shall be deemed to waive any vested rights hereunder which may have accrued prior to any amendment of this Declaration unless such amendment material and adversely affects the Owner's Residential Unit.

All or any portion of the Properties may be removed from the lien and operation of this Declaration by an amendment executed by the Declarant for such purposes, provided there are no conveyances of Lots or Residential Units constructed upon the property being removed from the lien and operation of this Declaration.

ARTICLE XIX ASSIGNMENT

Any or all of the rights, powers and obligations, easements and estates reserved or given to the Declarant, the Developer or the Association may be assigned by the Declarant, the Developer or by the Association, as the case may be, to the Association, the CDD (with its consent) or other assignee, and any such assignee with the exception of an Institutional Lender shall agree to assume the rights, powers, duties and obligations and carry out and perform the same. Any such assignment or transfer shall be made by appropriate instrument in writing and, with the exception of an assignment to an Institutional Lender, such assignee or transferee shall join for the purpose of evidencing its consent to such assignment and its acceptance of the rights and powers, duties and obligations herein contained; and such assignee or transferee shall thereupon have the same rights and powers and, with the exception of an assignment to an Institutional Lender, be subject to the same obligations and duties as are herein given to the Declarant, the Developer and the Association. With the exception of an assignment to an Institutional Lender, after such

assignment the Declarant, the Developer and the Association shall be relieved and released of all responsibility hereunder.

ARTICLE XX GENERAL PROVISIONS

Section 1. Duration. The covenants and restrictions of this Declaration shall run with and bind the land and any Owner or lessee thereof, and shall inure to the benefit of and be enforceable by the Declarant, the Developer, the Association or the Owner of any land subject to this Declaration or any Supplemental Declaration, their respective legal representatives, heirs, successors and assigns, for a term of thirty (30) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years unless an instrument signed by the then Owners of two-thirds (2/3) of the Lots or by the Association, has been recorded agreeing to change said covenants and restrictions in whole or in part, or to terminate them; provided, however, that no such agreement to change or terminate shall be effective unless made and recorded at least ninety (90) days in advance of the end of the initial or any extension period hereof, and unless written notice of the proposed agreement is sent to every Owner at least ninety (90) days in advance of any action taken.

Section 2. Amendment. This Declaration may be amended at any time and from time to time upon the execution and recording of an instrument executed by the President or Vice President of the Association upon a vote of not less than two-thirds (2/3) of the voting interests present at a meeting of the Owners at which a quorum is present, provided that notice of the purpose of the meeting is given to Owners in accordance with the Bylaws. So long as Declarant is the Owner of any Lot, or any property affected by this Declaration, or amendment hereto, no amendment shall be effective without Developer's express written consent and joinder. Any amendment which would impair or prejudice the right or priorities of any Institutional Lender shall not be effective without the prior written consent of such Institutional Lender. Any amendment which lessens or alleviates the Association's responsibility to maintain private streets and drainage facilities, or private water and sewer facilities, if any, shall not be effective. Any amendment affecting the surface water management system facilities or the operation and maintenance of such facilities shall have the prior written approval of the Southwest Florida Water Management District.

Section 3. Termination. Should the members of the Association vote not to renew and extend this Declaration, the President and Secretary of the Association shall execute a certificate which shall set forth the resolution of termination adopted by the Owners, the date of the meeting at which such resolution was adopted, the date that notice of the meeting was given, the total number of votes of Owners, the total number of votes required to constitute a quorum at a meeting of the Owners, the number of votes necessary to adopt a resolution terminating this Declaration, the total number of votes cast in favor of such resolution and the total number of votes cast against such resolution. Such certificate shall be recorded in the Public Records of Hillsborough County,

Florida and may be relied upon for the correctness of the facts contained therein as they relate to the termination of this Declaration

Section 4. Notices. Any notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person who appears as Member or Owner on the records of the Association at the time of such mailing.

Section 5. Easements. Should the intended creation of any easement provided for in this Declaration fail by reason of the fact that at the time of creation there may be no grantee in being having the capacity to take and hold such easement, then any such grant or easement deemed not to be so created shall nevertheless be considered as having been granted directly to the Association as agent for such intended grantees for the purpose of allowing the original party or parties to whom the easement were originally to have been granted the benefit of such easement and the Owners hereby designate the Developer and the Association (or either of them) as their lawful attorney-in-fact to execute any instrument on such Owners behalf as may hereafter be required or deemed necessary for the purpose of later creating such easement as it was intended to have been created herein. Formal language of grant or reservation with respect to such easements, as appropriate, is hereby incorporated in the easement provisions hereof to the extent not so recited in some or all of the such provisions.

Section 6. Covenants Running with the Land. ANYTHING TO THE CONTRARY HEREIN NOTWITHSTANDING AND WITHOUT LIMITING THE GENERALITY (AND SUBJECT TO THE LIMITATIONS) OF OTHER APPLICABLE SECTIONS HEREOF, IT IS THE INTENTION OF ALL PARTIES AFFECTED HEREBY AND THEIR RESPECTIVE HEIRS, PERSONAL REPRESENTATIVES, SUCCESSORS AND ASSIGNS) THAT THESE COVENANTS AND RESTRICTIONS SHALL RUN WITH THE LAND AND WITH TITLE TO THE PROPERTY. WITHOUT LIMITING THE GENERALITY OF ANY OTHER SECTION HEREOF, IF ANY PROVISION OR APPLICATION OF THIS DECLARATION WOULD PREVENT THIS DECLARATION FROM RUNNING WITH THE LAND AS AFORESAID, SUCH PROVISION AND/OR APPLICATION SHALL BE JUDICIALLY MODIFIED, IF AT ALL POSSIBLE, TO COME AS CLOSE AS POSSIBLE TO THE INTENT OF SUCH PROVISION OR APPLICATION AND THEN BE ENFORCED IN A MANNER WHICH WILL ALLOW THESE COVENANTS AND RESTRICTIONS TO SO RUN WITH THE LAND; BUT IF SUCH PROVISION AND/OR APPLICATION CANNOT BE SO MODIFIED, SUCH PROVISION AND/OR APPLICATION SHALL BE UNENFORCEABLE AND CONSIDERED NULL AND VOID IN ORDER THAT THE PARAMOUNT GOAL OF THE PARTIES AFFECTED HEREBY (THAT THESE COVENANTS AND RESTRICTIONS RUN WITH THE LAND AS AFORESAID) BE ACHIEVED.

Section 7. Notices and Disclaimers As to Water Bodies. NEITHER DECLARANT, DEVELOPER, NOR THE ASSOCIATION NOR ANY OF THEIR OFFICERS, DIRECTORS, COMMITTEE MEMBERS, EMPLOYEES, MANAGEMENT AGENTS, CONTRACTORS OR SUB-CONTRACTORS (COLLECTIVELY THE "LISTED PARTIES") SHALL BE LIABLE OR

RESPONSIBLE FOR MAINTAINING OR ASSURING THE WATER QUALITY OR LEVEL IN ANY LAKE, POND, CANAL, CREEK, STREAM OR OTHER WATER BODY WITHIN THE COMMUNITY, EXCEPT (i) AS SUCH RESPONSIBILITY MAY BE SPECIFICALLY IMPOSED BY, OR CONTRACTED WITH, AN APPLICABLE GOVERNMENTAL OR QUASI-GOVERNMENTAL AGENCY OR AUTHORITY OR (ii) TO THE EXTENT THAT OTHER EXPRESSLY APPLICABLE SECTIONS HEREOF WOULD OTHERWISE APPLY, IF AT ALL. FURTHER, ALL OWNERS AND USERS OF ANY PORTION OF THE COMMUNITY LOCATED ADJACENT TO OR HAVING A VIEW OF ANY OF THE AFORESAID WATER BODIES SHALL BE DEEMED, BY VIRTUE OF THEIR ACCEPTANCE OF THE DEED TO OR USE OF, SUCH PROPERTY, TO HAVE AGREED TO HOLD HARMLESS THE LISTED PARTIES FOR ANY AND ALL CHANGES IN THE QUALITY AND LEVEL OF THE WATER IN SUCH BODIES.

ALL PERSONS ARE HEREBY NOTIFIED THAT, FROM TIME TO TIME, ALLIGATORS AND OTHER WILDLIFE MAY INHABIT OR ENTER INTO WATER BODIES WITHIN THE COMMUNITY AND MAY POSE A THREAT TO THE PERSONS, PETS AND PROPERTY, BUT THAT THE LISTED PARTIES ARE UNDER NO DUTY TO PROTECT AGAINST, AND DO NOT IN ANY MANNER WARRANT AGAINST, ANY DEATH, INJURY OR DAMAGE CAUSED BY SUCH WILDLIFE.

Section 8. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 9. Special Limitation. Any amendment made by Declarant, and any amendment made by the Members prior to the completion of seventy-five percent (75%) of all of the Residential Units which may be built within the Properties, must be approved by the Federal Housing Administration or by the Veterans Administration if any mortgage encumbering any Residential Unit is guaranteed or insured by either such agency, if such amendment materially and adversely affects the Members, provided, however, such approval shall specifically not be required where the amendment is made to correct errors or omissions or is required to comply with the requirements of any Institutional Lender, or is required by any governmental authority. Such approval shall be deemed given if either agency fails to deliver written notice of its disapproval of any amendment to Developer or to the Association within twenty (20) days after a request for such approval is delivered to the agency by certified mail, return receipt requested or equivalent delivery, and such approval shall be conclusively evidenced by a certificate of Declarant or the Association that the approval was given or deemed given.

IN WITNESS WHEREOF, the Declarant and Developer have executed this Declaration the day and year first above written.

Signed, sealed and delivered
in the presence of:

S.T.O.F. Holdings, Ltd., a Florida limited partnership
"Declarant"

in the presence of:

MARCEA L. GREEN

Printed name:

Nancy Willie

Printed name:

"Declarant"

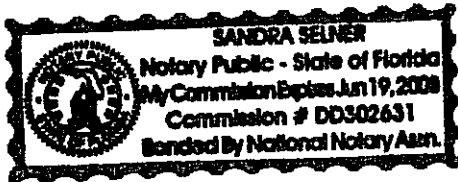
S.T.O.F. Holdings, Ltd., a Florida limited partnership

By: Seminole Properties I, Inc., a Florida corporation,
as General Partner

By: Mitchell Cypress
Its: President

STATE OF FLORIDA
COUNTY OF Broward)

The foregoing instrument was acknowledged before me this 30 day of September, 2005, by Mitchell Cypress as President of Seminole Properties I, Inc., a Florida corporation, as General Partner of S.T.O.F. Holdings, Ltd., a Florida limited partnership. He/she is personally known to me and did not take an oath.



Sandra Selner
Notary Public
My commission expires:

Signed, sealed and delivered
in the presence of:

RRG BIG BEND, LLC
"Developer"

[Signature]
Printed name: ERIC DORSEY
[Signature]
Printed name: Kimberly Werth

By: [Signature]
Its: Maurice Pelaez

STATE OF Florida)
COUNTY OF Broward)

The foregoing instrument was acknowledged before me this 26th day of September, 2005, by Maurice Pelaez as Manager of RRG Big Bend, LLC, a Delaware limited liability company, on behalf of the company. He/she is personally known to me and did not take an oath.

[Signature]
Notary Public
My commission expires:

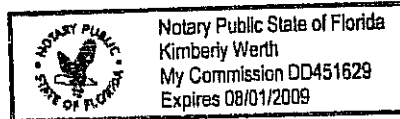


EXHIBIT "A"

All Lots, Tracts and other lands located within the following recorded plats:

Panther Trace Phase 2A-1, according to the plat thereof as recorded in Plat Book 105, Page 30 – 41, of the Public Records of Hillsborough County, Florida.

Panther Trace Phase 2A-2 Unit 1, according to the plat thereof as recorded in Plat Book 105, Page 153 – 162, of the Public Records of Hillsborough County, Florida.

Panther Trace Phase 2A-2 Unit 2, according to the plat thereof as recorded in Plat Book 105, Page 240 – 269, of the Public Records of Hillsborough County, Florida.

ARTICLES OF INCORPORATION
OF
PANTHER TRACE II HOMEOWNERS' ASSOCIATION, INC.

The undersigned incorporator, a resident of the State of Florida and of full age, hereby makes, subscribes, acknowledges and files with the Department of the State of Florida these Articles of Incorporation for the purpose of forming a corporation not for profit under the laws of the State of Florida.

ARTICLE I

NAME

The name of this corporation is **PANTHER TRACE II HOMEOWNERS' ASSOCIATION, INC.**, a Florida corporation not for profit (hereinafter called the "Association" in these Articles).

ARTICLE II

PURPOSE

This Association does not contemplate pecuniary gain or profit to its members and its specific purposes for which it is formed are:

A. To administer and enforce, within Panther Trace II, a subdivision located in Hillsborough County, Florida (the "Properties"):

(i) the Declaration of covenants conditions and restrictions of Panther Trace II, and all subsequent amendments, to be hereafter recorded in the Public Records of Hillsborough County, Florida (collectively the "Declaration"); and

(ii) the Architectural Review Criteria (as established by the Declarant)

under the Declaration.

B. To exercise the powers granted to the Association under the Declaration; provided however, the Association shall not have the authority to exercise any power that has been granted to the Panther Trace II Community Development District (the "CDD"), or that is inconsistent with any power granted to the CDD.

ARTICLE III

MEMBERSHIP

The record owner, whether one or more persons or entities, of the fee simple title to any Lot subject to the provisions of the Declaration but, notwithstanding any applicable theory or mortgage, shall not mean or refer to the mortgagee, its successors and assigns unless such mortgagee, its successors and assigns has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure, shall be deemed to have a membership in the Association for each Lot owned. In the event the Owner of a Lot is more than one (1) 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 the Declaration and the By-Laws. The membership rights of a Unit owned by a corporation or partnership shall be exercised by the individual designated by the Owner in a written instrument provided to the Secretary, subject to the provisions of the Declaration and the By-Laws.

ARTICLE V

VOTING RIGHTS

This voting rights of members shall be as set forth in the Declaration and the By-Laws.

ARTICLE VI

OFFICE AND REGISTERED AGENT

The Association's registered office is 101 North Fig Tree Lane, Plantation, Florida 33317. The Association's registered agent is Douglas C. Roland who maintains a business office at 500 E. Kennedy Blvd., Suite 200, Tampa, Florida 33602. Both this Association's registered office and registered agent may be changed from time to time by the Board of Directors as provided by law.

ARTICLE VII

BOARD OF DIRECTORS

A. This Association's affairs are managed by a Board of Directors initially composed of three (3) Directors. Directors shall be selected and removed as provided in the Association's By-Laws. The initial Directors named below shall serve until this Association's first annual meeting. The term of office for all Directors is one year. Before any such annual meeting occurring after the Class "B" Control Period (as defined in the Declaration and By-Laws) expires, all vacancies occurring on the Board of Directors, if any, will be filled by majority vote of the remaining Directors, even if less than a quorum. Any Director may succeed himself or herself in office. All Directors will be elected by secret written ballot. Each member may vote for each vacancy; however, cumulative voting is not permitted. Directors need not be Association members.

B The names and addresses of the persons who will serve as initial Directors until their successors have been duly elected and qualify, unless they sooner die, resign, or are removed, are:

Name: Maurice Pelaez
101 N. Fig Tree Lane
Plantation, FL 33317

Sven D. Uellendahl
19730 Grandview Terrace
Jupiter, Florida 33458

Ed Andrews
7402 N. 56th Street, Suite 480
Tampa, Florida 33617

ARTICLE VIII

DURATION

This Association exists perpetually.

ARTICLE IX

DISSOLUTION

This Association may be dissolved in the manner from time to time provided by the laws of the State of Florida and with the consent given in writing and signed by not less than two-thirds (2/3) of each class of members. Upon dissolution of this Association in any manner other than incident to a merger or consolidation, all of this Association's assets must be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. If dedication is refused, such assets must be granted, conveyed, and assigned to any nonprofit corporation, association, trust, or other organization to be devoted to such similar purposes. In no event, however, may any assets inure to the benefit of any member or other private individual.

ARTICLE X

BY-LAWS

This Association's By-Laws initially will be adopted by the Board of Directors. Thereafter, the By-Laws may be altered, amended, or rescinded with the approval of the Board of Directors, except as to those provisions for amendment to the By-Laws which are provided in the Declaration or any future supplemental declaration in which case those provisions shall control such amendments.

ARTICLE XI

AMENDMENTS

Subject to the provisions of Article XII, amendments to these Articles may be proposed and adopted in the manner from time to time provided by the laws of the State of Florida, provided that each such amendment must have the approval in writing of two-thirds (2/3) of the entire membership, except as to those provisions for amendment to these Articles which are provided in the Declaration or any supplemental declaration in which case those provisions shall control such Amendments.

ARTICLE XII

FNMA/FHA/VA APPROVAL

As long as there is a Class B membership, the following actions will require the prior approval of the United States Department of Housing and Urban Development (HUD) Federal National Mortgage Association (FNMA), Federal Housing Administration (FHA) or Veterans Administration (VA), if determined necessary by the Class B membership:

- (a) Amendment of these Articles of incorporation; or
- (b) Merger, consolidation and/or dissolution of the Association.

ARTICLE XIII

INTERPRETATION

Express reference is made to the Declaration where necessary to interpret, construe, and clarify the provisions of these Articles. Without limitation, all terms defined in the Declaration have the same meaning where used in these Articles. By subscribing and filing these Articles, the incorporator intends for its provisions to be consistent with the provisions of the Declaration and to be interpreted, construed, and applied with those of the Declaration to avoid inconsistencies or conflicting results.

ARTICLE XIV
INCORPORATOR

The name and residence of the incorporator is:

Name: Douglas C. Roland
Address: 500 East Kennedy Blvd., Suite 200
Tampa, Florida 33602

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Florida, I, the undersigned, constituting the incorporator of this Association, have executed these Articles of Incorporation this ____ day of _____ 2005.

Douglas C. Roland
Incorporator

**CERTIFICATE DESIGNATING PLACE OF BUSINESS OR DOMICILE FOR
THE
SERVICE OF PROCESS WITHIN THE STATE OF FLORIDA AND NAMING
THE
REGISTERED AGENT UPON WHOM PROCESS MAY BE SERVED**

PANTHER TRACE II HOMEOWNERS' ASSOCIATION, INC., desiring to organize under the laws of the State of Florida, as a corporation not for profit with its principal office as indicated in its Articles of Incorporation has named Douglas C. Roland, whose business office is 500 E. Kennedy Boulevard, Suite 200, Tampa, Florida 33602, as its registered agent to accept service of process within Florida.

ACCEPTANCE

Having been named to accept service of process for the foregoing corporation at the place designated in this certificate, I hereby agree to act in this capacity, and I further agree to comply with the provisions of all statutes, including the duties and obligations imposed by Section 617.0503, Florida Statutes, relative to the proper and complete performance of my duties.

Douglas C. Roland

Date: _____

AGREEMENT FOR SALE AND PURCHASE OF REAL ESTATE AND PERSONAL
PROPERTY

by and between

LERIAN INVESTMENT CORPORATION
as Buyer

and

THE RYLAND GROUP, INC.
as Seller

BY-LAWS
OF
PANTHER TRACE II HOMEOWNERS' ASSOCIATION, INC.
A NOT FOR PROFIT CORPORATION

ARTICLE I
NAME AND LOCATION

The name of the corporation is PANTHER TRACE II HOMEOWNERS' ASSOCIATION, INC., hereinafter referred to as the "Association." The principal office of the corporation shall be located at 101 N. Fig Tree Lane, Plantation, FL 33317, or such other place as is designated by the Board of Directors, but meetings of members and directors may be held at such places within Hillsborough County, Florida, as may be designated by the Board of Directors.

ARTICLE II
DEFINITIONS

The definitions as set out in the Declaration of Covenants, Conditions, Restrictions and Easements for Panther Trace II ("Declaration") are hereby incorporated by reference.

ARTICLE III
MEMBERSHIP AND VOTING RIGHTS

Section 1. Members of the Association shall be the holders of all or a portion of fee simple title for each Lot owned within the Property. The Association shall have the following two (2) classes of membership:

(a) Class A. The Class A Members shall be all owners of Lots except the Class B Members, and shall be entitled to one equal vote for each Lot owned.

(b) Class B. The Class B Member shall be the Declarant, its successors and assigns, and all persons who have taken title to one or more Lots from Declarant for the purpose of constructing residences thereon for resale (the "Builders"). Class B Members shall be entitled to (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership at such time as control of the Association is transferred.

When more than one person holds an ownership interest in a Lot, all such persons shall be Members. The vote(s) for each such Lot shall be exercised as the owners determine, but in no event shall more than one vote be cast with respect to any one Lot.

Section 2. Change of membership in the Association shall be established by recording in the Public Records of Hillsborough County, Florida, a deed or other instrument conveying record fee title to any Lot and by the delivery to the Association of a copy of such recorded instrument. The grantee designated by such instrument shall, by his acceptance of such instrument, become a Member of the Association, and the membership of the prior owner shall be terminated. In the event that a copy of such instrument is not delivered to the Association, the grantee shall become a Member, but shall not be entitled to voting privileges enjoyed by his predecessor in interest. The foregoing shall not, however, limit the Association's powers or privileges. The interest, if any, of a Member in the funds and assets of the Association shall not be assigned, hypothecated or transferred in any manner except as an appurtenance to his real property. Membership shall be appurtenant to, run with, and shall not be separated from the real property interest upon which membership is based.

Section 3. Termination of the Class B Control Period shall occur upon the first of the following events:

(a) three months after seventy-five per cent (75%) of the Lots in all phases of Panther Trace II that will ultimately be operated by the Association and the CDD (the Declarant having reserved the right to annex additional lands for future phases pursuant to Article II of the Declaration) have been conveyed to Owners other than the Declarant, any builders, contractors or other parties who purchased a Lot for the purpose of constructing improvements thereon for resale;

(b) seven (7) years after the date this Declaration is recorded in the public records of Hillsborough County, Florida; or

(c) when, in its discretion, the Class "B" Member so determines.

Section 4. The Class B Members' relinquishment of control shall not require Declarant to relinquish control or allow the Association to assume control over any

power or right which is reserved to Declarant pursuant to the Declaration for a period longer than the Class B Members' holding of voting control.

Section 5. After turnover of control of the Association, unless at least two-thirds (2/3) of the Members have given their prior approval, the Association shall not be entitled to, by act or omission, change, waive or abandon any scheme of regulations, or enforcement thereof, pertaining to the architectural design or the exterior appearance of Lots and the improvements thereon. Any such action shall not materially and adversely affect the beneficial use and enjoyment of the Lots by the Members.

Section 6. So long as Declarant or any Builder owns any Lot for development or for sale in the ordinary course of business, the Association may not take any action that would be detrimental to the sale of Lots by Declarant or the Builders, as determined in their reasonable judgment. However, an increase in assessments without discrimination against the Declarant or the Builders shall not be deemed to be detrimental to the sales of Lots.

ARTICLE IV

MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the members shall be held on Tuesday of the second week in January in the year subsequent to this year, and each subsequent regular annual meeting of the members shall be held in the same week of the same month of each year thereafter, at the hour of seven o'clock, p.m. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

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

Section 3. Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least fifteen (15) days before such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Notice shall also be posted in a conspicuous place 48 hours in advance of the meeting. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of members entitled to cast, or of limited or general proxies entitled to cast, fifteen percent (15%) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented. Unless otherwise provided in these By-Laws, the Articles of Incorporation or Declaration, decision shall be made by a majority of the voting interests represented at a meeting at which a quorum is present.

Section 5. Proxies. At all meetings of members, each Member may vote in person or by limited proxy. All proxies shall be in writing and filed with the secretary prior to its use. Every proxy shall be effective only for the specific meeting for which originally given and any lawfully adjourned meeting thereof. A proxy is not valid for a period longer than 90 days after the date of the first meeting for which it was given. A proxy is revocable at any time at the pleasure of the Member who executes it. Limited proxies may also be used for votes taken to amend the Articles of Incorporation or these By-Laws or for any matter that requires or permits a vote of the members.

ARTICLE V

BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

Section 1. The affairs of the Association shall be governed by the Board. The initial Board and the manner of filling vacancies of the initial Board shall be set forth in the Articles. The election and size of the Board shall proceed in the following stages:

(a) Until the Class B Members transfer control of the Association as provided herein, the Class B Members shall have the sole and absolute right to designate the Directors of the Association by vote or written agreement of a majority of the voting interests of the Class B Membership as to each director.

(b) When the Class B Members have transferred control of the Association, the Class B Members shall cause its Directors to resign and be removed, and the Board shall be expanded to seven (7) directors. The Class A Members shall then be entitled to designate all Directors and any replacements thereof (except as provided below and in Section 5 of these Bylaws). No more than 45 days and no less than 30 days prior to the turnover meeting the Association shall notify in writing all Members of the of the date

and time of the turnover meeting and purpose of it, which is the election of the new Board of Directors of the Association.

Section 2 The Board shall serve until the election of a new Board at the annual meeting of the membership, and each director shall be elected to serve until the next annual meeting of the membership or until his successor shall be elected and shall qualify. The number of directors shall not be less than three (3). The initial Board shall consist of three (3) directors as identified in the Articles.

Section 3 Directors may be removed without cause by either (i) an affirmative vote of a majority of the voting interest of the Class of membership who elected such Director(s), or (ii) the vote or agreement in writing by a majority of all the voting interest of the Association. If a director is removed by the vote of the majority of all voting interests of the Association, such removal must comply with the requirements of Section 617.0808, *Fla Stat.*, and any vacancies created thereby shall be filled by the majority vote of the voting interest at the same meeting at which the Director was removed.

Section 4. The Directors may hold their meeting and keep the books of the Association at the office of the Association or at such other place as they may from time to time determine.

Section 5. A vacancy on the Board shall be filled by the affirmative vote of a majority of the remaining Directors, even though the remaining Directors constitute less than a quorum, or by the sole remaining Director, as the case may be. Notwithstanding the foregoing, if a vacancy on the Board is caused by the removal of one or more Directors by a vote of the Members at a meeting, then any vacancies created thereby shall be filled by the Members at the same meeting.

Section 6. The salaries of all employees and agents of the Association shall be fixed by the Board, except that salaries for Directors for services when acting in a capacity other than as a Director, shall be fixed by the Members, as provided in Article VI Section 1 of these By-Laws.

ARTICLE VI

COMPENSATION OF DIRECTORS, OFFICERS AND AGENTS

Section 1. Directors shall not receive compensation for their services, except that a Director shall not be precluded from serving the Association in any other capacity and receiving compensation therefore. The Board may employ a Director as an

employee or contract with a Director for management of the Association. The salaries for Directors for their services in other capacities shall be fixed by the Members.

Section 2. Officers, employees or Members of advisory committees of the Association may receive compensation for their services as determined by the Board.

ARTICLE VII

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. 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 election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members or non-members.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the members may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

Section 3. Use of Proxy. For election of members of the Board of Directors, members shall vote in person at a meeting of the members or by a ballot that the Member personally casts.

ARTICLE VI

MEETINGS OF DIRECTORS

Section 1. Meetings. 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 rights to use of the Common Area of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations;

(c) exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the membership by other provisions of these By-laws, the Articles of Incorporation, or the Declaration;

(d) 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

(e) employ a manager, an independent contractor, or such other employees as they deemed necessary, and to prescribe their duties.

Section 2. Duties. It shall be the duty of the Association, by and through 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, at least ten (10) days prior to the meeting or special meeting; all such records to be retained for at least seven (7) years;

(b) supervise all officers, agents and employees of the 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 Lot at least thirty (30) 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;

(3) foreclose the lien against any Lot for which assessments are not paid within thirty (30) days after the due date or to bring an action at law against

the Owner personally obligated to pay the same; and

(4) collect at first closing on the Lot the balance of the assessment owing for the remaining portion of the year.

(d) Issue or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. Reasonable charges may be made by the Board of Directors 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) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(g) cause the Common Area to be maintained; and

(h) establish prior to the beginning of the fiscal year and prior to setting the assessments of the coming year, an annual budget for the Association, including maintenance of Common Area, and to establish reserve accounts for replacement of those parts of the Common Area, which have a limited useful life span.

(i) Initiate or defend litigation on behalf of the Association.

Section 3. Meetings. A meeting of the Board of Directors occurs whenever a quorum of the Board gathers to conduct Association business. All meetings of the Board of Directors are open to all members, except for meetings between the Board of Directors and its attorney with respect to proposed or pending litigation where the contents of the discussion would otherwise be governed by the attorney-client privilege. Notices of all Board of Directors meetings must be posted in a conspicuous place on the Property at least 48 hours in advance of a meeting, except in an emergency. In the alternative, if notice is not posted in a conspicuous place on the Property, notice of each Board of Directors meeting must be mailed or delivered to each Member at least 7 days before the meeting, except in an emergency. An assessment may not be levied at a Board of Directors meeting unless the notice of the meeting includes a statement that assessments will be considered and the nature of the assessments. Directors may not vote by proxy or by secret ballot at Board of Directors meetings, except that secret ballots may be used in the election of officers.

ARTICLE VII

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a president and vice-president, who shall at all times be members of the Board of Directors, a secretary, and a treasurer, and such other officers as the Board of Directors may from time to time by resolution create.

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

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

Section 4. Special Appointments. The Board of Directors 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 of Directors may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board of Directors. Any officer may resign at any time by giving written notice to the Board of Directors, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

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

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

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

President

- (a) The president shall preside at all meetings of the Board of Directors;

shall see that orders and resolutions of the Board of Directors are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall sign all checks and promissory notes.

Vice-President

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

Secretary

(c) The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board of Directors 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 of Directors and of the members; keep appropriate current records showing members of the Association together with their addresses, and shall perform such other duties as required by the Board of Directors.

Treasurer

(d) The treasurer shall receive and deposit in appropriate bank accounts all monies 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 or have prepared 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 VIII

COMMITTEES

The Association shall appoint an Architectural Control Committee, as provided in the Declaration, and a Nominating Committee, as provided in these By-Laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE IX

BOOKS AND RECORDS

Section 1. 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 By-Laws 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.

Section 2. Minutes of all meetings of members and of the Board of Directors shall be kept in a businesslike manner and shall be available for inspection by members, or their authorized representatives, and Board members at reasonable times subsequent to transfer of control of the Association to owners other than the Declarant. The Association shall retain these minutes for at least 7 years.

Section 3. The Association shall maintain each of the following items, when applicable, which shall constitute the official records of the Association:

- (a) A copy of the plans, specifications, permits, and warranties for the improvements to the Common Area, but not including the construction drawings of the individual homes and lots.
- (b) A copy of the By-Laws of this Association and of each amendment to the By-Laws.
- (c) A copy of the Articles of Incorporation of the Association, or other documents creating the Association, and of each amendment thereto.
- (d) A copy of the Declaration and each amendment thereto.
- (e) A copy of the current rules of the Association.
- (f) The minutes of all meetings of the Association, of the Board of Directors and of members, which minutes shall be retained for at least seven (7) years.
- (g) A current roster of all members and their mailing addresses, parcel identifications, and, if known, telephone numbers.
- (h) All current insurance policies of the Association or a copy thereof, which policies must be retained for at least seven (7) years.
- (i) A current copy of all contracts to which the Association is a party,

including any management agreement, lease, or other contract to which the Association is a party or under which the Association has an obligation or responsibility. Bids for work to be performed shall also be considered official records and shall be maintained for a period of one (1) year.

(j) Accounting records for the Association and separate accounting records for each parcel, according to generally accepted accounting principles. All accounting records shall be maintained for at least seven (7) years. The accounting records shall be open to inspection by members or their authorized representatives at reasonable times. The failure of the Association to permit inspection of its accounting records by a Member or their authorized representatives entitles any person prevailing in an enforcement action to recover reasonable attorney's fees from the person in control of the books and records who, directly or indirectly, knowingly denied access to the books and records for inspection. The accounting records shall include, but are not limited to:

1. Accurate, itemized, and detailed records of all receipts and expenditures.
2. A current account and a periodic statement of the account for each Member of the Association, designating the name of the Member, the due date and amount of each assessment, the amount paid upon the account, and the balance due.
3. All tax returns, financial statements, and financial reports of the Association.
4. Any other records that identify, measure, record, or communicate financial information.

ARTICLE X

ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association all assessments as listed in the Declaration, which are secured by a continuing lien upon the property against which the assessment is made. Any assessments, which are not paid when due, shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the maximum rate allowed by law, and the Association may bring an action at law against the Owner personally obligated to pay the same or

foreclose the lien against the property, and interest, costs, and reasonable attorney's 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 his Lot.

ARTICLE XI

CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: Panther Trace II Homeowners' Association, Inc., and within the center the word "Florida" and the year of incorporation.

ARTICLE XII

AMENDMENTS

Section 1. These By-Laws may be amended, at a regular or special meeting of the Board of Directors by the Board of Directors.

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

ARTICLE XIII

FNMA/FHA/VA APPROVAL

As long as there is a Class B membership, the following actions will require the prior approval of the Federal National Mortgage Association (FNMA), Federal Housing Administration (FHA) or Veterans Administration (VA), if determined necessary by the Class B membership:

- (a) Amendment of these Bylaws; or
- (b) Merger, consolidation and/or dissolution of the Association.

ARTICLE XIV

MISCELLANEOUS

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

ARTICLE XV

RIGHT OF MEMBERS TO PEACEFULLY ASSEMBLE

All common areas serving any homeowner's association shall be available to members and their invited guests for the use intended for such areas. The entity or entities responsible for the operation of the common areas may adopt reasonable rules and regulations pertaining to the use of such common areas. No entity or entities shall unreasonably restrict any Member's right to peaceably assemble or right to invite public officers or candidate for public office to appear and speak in common areas.

Adopted pursuant to Organizational Minutes as of _____, 2005.