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JAMES C. WATKINS, CLERK OF COURT
LAKE COUNTY
RECORDING FEES 817.50

SECOND AMENDMENT TO
DECLARATION OF EASEMENT, COVENANTS,
CONDITIONS AND RESTRICTIONS FOR CLERMONT YACHT CLUB

THIS SECOND AMENDMENT is made and entered into on this 26th day of July, 2006, by the owners of the Clermont Yacht Club Homeowner's Association, Inc., a Florida corporation (hereinafter "OWNERS").

WITNESSETH:

WHEREAS, on September 14, 2000, the Declarant, Philip Edgington and Andrea Edgington, recorded the Declaration of Easement, Covenants, Conditions and Restrictions for Clermont Yacht Club, in Official Records Book 1860, Page 1895, Public Records of Lake County, Florida.

WHEREAS, on May 2, 2003, the Declarant recorded a First Amended Declaration of Easements, Covenants, Conditions and Restrictions for Clermont Yacht Club, in Official Records Book 2311, Page 24, Public Records of Lake County, Florida.

WHEREAS, the Declaration provides that the Declaration may be amended during the first twenty year period by a vote of seventy-five percent (75%) of the Owners in accordance with the provisions therein.

WHEREAS, on February 13, 2006, a duly noticed meeting of Owners was held, and a minimum of 75% of the votes being cast by the Owners approved the amendment as set forth below.

NOW THEREFORE, Owners desire to amend the Declaration as follows:

1. ARTICLE I, (e) is hereby deleted and the following is inserted in its place:

(e) "Common Areas" or "Common Property" shall mean and refer to all real property and improvements thereto owned by the Master Association for the common use and enjoyment of the Owners (as is defined in the Master Declaration of Covenants, Conditions and Restrictions of Clermont Yacht Club at Clermont, Lake County, Florida).
2. ARTICLE I, (g) is hereby deleted and the following is inserted in its place:

(g) **“Clermont Yacht Club Community”** shall mean and refer to the property which is described in Exhibit “B” of the Master Declaration of Covenants, Conditions and Restrictions of Clermont Yacht Club at Clermont, Lake County, Florida.

3. ARTICLE I, (p) is hereby deleted and the following is inserted in its place:

(p) **“Plat”** shall mean and refer to the Plat of Clermont Yacht Club, as recorded in Plat Book 44, Page 44-46, Public Records of Lake County, Florida, and as recorded in Plat Book 53, Page 5-6, Public Records of Lake County, Florida.

4. ARTICLE I, (l) is hereby deleted and the following is inserted in its place:

(l) **“Master Plan”** shall mean and refer to the most recent land use plan from time to time approved by the City of Clermont, Florida, for the development of the property encumbered by the Master Declaration of Covenants, Conditions and Restrictions of Clermont Yacht Club at Clermont, Lake County, Florida.

5. ARTICLE I, (t) is created to read:

(t) **“Limited Common Area”** or **“Limited Common Expense”** shall mean and refer to the any and all real property maintained and repaired by the Association for the exclusive benefit of its Members to the exclusion of the condominium owners, and the expenses associated with such maintenance and repair. Limited Common Expenses shall be paid for exclusively by the Association Members as defined herein.

6. ARTICLE I, (q) is hereby deleted and the following is inserted in its place:

(q) **“Property”** or **“Properties”** shall mean and refer to the real property encumbered by the Declaration of Easements, Covenants, Conditions and Restrictions for Clermont Yacht Club and all amendments thereof as more particularly described in Exhibit “A”.

7. ARTICLE II is amended as follows, in each instance where the term Common Area or Common Areas is stated within Article II, it shall be replaced with the term Limited Common Area or Limited Common Areas.

8. ARTICLE II, Section 3 is hereby deleted and the following is inserted in its place:

Section 3. Damage or Destruction of Limited Common Area by Owner. In the event any part of the Limited Common Area is damaged or destroyed by an Owner or any of its guests, tenants, licensees, agents or members of its family, such Owner does hereby authorize the Association to repair the damaged area at the Owner's expense. The Association shall repair the damaged area, adhering to sound construction safety practices and in conformance with the latest approved construction and/or building plans. The cost of the repairs shall be deemed a special assessment against the Owner due and payable upon being assessed against the Owner and in the event such special assessment is not paid when due, the Association shall have the right to place a lien on the Owner's Lot for payment of the assessments and to otherwise proceed to collect same in accordance with

Florida law. Enforcement of any assessment lien against an Owner shall be consistent with the enforcement of these covenants and restrictions as set forth herein.

9. ARTICLE II, Section 4 is created to read:

Section 4. Common Area or Common Property. Every owner shall have the right and easement of enjoyment to the Common Area as further detailed in the Master Declaration of Covenants, Conditions and Restrictions of Clermont Yacht Club at Clermont, Lake County, Florida. The Association has the right to suspend an Owner's voting rights and an Owner's right to use the recreational facilities located on the Common Areas for any period of time during which a Community Association Assessment or Special Assessment remains unpaid for a period in excess of ninety (90) days, or for any period from the time an Owner is determined by the Board of Directors to be in violation of any of the Association or Master Association's declarations or published rules and regulations.

10. ARTICLE IV is deleted and the following is inserted in its place:

ARTICLE IV
FUNCTIONS OF HOMEOWNER'S ASSOCIATION

Section 1. Services. The Association shall have all power permitted by Florida law, including, but without limitation, the following powers and may, but is not obligated to, provide all services permitted by Florida law, including, without limitation, the services listed below. However, any services provided by the Master Association shall not be duplicated by the Association. For any serviced provided by the Association which benefits the Clermont Yacht Club Community, such as but not limited to storm water retention/detention management the Association shall be entitled to reimbursement by the Master Association.

A. Open Space, Surface Water Management Systems, Master Storm Water Management System, conservation areas, water wells, Common Property, landscaping, walls, irrigation systems, entrance way landscape berm, and other lands covered by the Master Plan and all city, county, district or municipal properties and rights of way (to the extent permitted by any governmental authority) which are located within or in a reasonable proximity to the Properties where deterioration of any of the described items would adversely affect the appearance of the Properties or the operation of systems appurtenant to the Properties. The Association shall adopt standards of maintenance and operation as required to effectuate the purposes of the Declaration and to operate a first-rate residential community. With respect to the maintenance of the surface water or storm water systems, maintenance shall mean the exercise of practices which allow the systems to provide drainage, water storage, conveyance or other surface water or storm water management capabilities in compliance with the City of Clermont Land Development Regulations as permitted by the St. Johns River Water Management District. The Association shall also be responsible for such maintenance and operation. Any repair or recondition shall be as permitted, or if modified, as approved by the District.

B. Maintenance of any real property located within the Property upon which the Association has accepted an easement for maintenance.

C. Maintenance of water bodies, if any, owned by or dedicated for the use of the Association within the Properties, as well as maintenance of water bodies not owned by the Association within the Properties if and to the extent permitted by any governmental authority having jurisdiction thereof.

D. Insect, pest and aquatic control where necessary or desirable in the judgment of the Association to supplement the service provided by the state and local governments. The Association reserves a perpetual right on, over and under all Properties to dispense pesticides and take other action which, in the opinion of the Association, is necessary or desirable to control insects and vermin. Provided, however, that this paragraph shall not contradict the requirements of the St. Johns River Water Management District or the City of Clermont.

E. 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 in the Articles or Bylaws.

F. Conducting business of the Association including, but not limited to, administrative services such as legal, accounting and financial and communications services, which include informing Members of activities, and preparing and delivering or mailing notices of Meetings and other important events. The Association shall have the right to enter into management agreements with any companies in order to provide its services and perform its functions. Any professional management contract entered into by the Association shall contain reasonable term and termination provisions. Any contracts or leases entered into by the Association prior to the Turnover Date, including any professional management contract, shall provide a right of termination without cause, which is exercisable without penalty at any time after the Turnover Date, upon not more than ninety (90) days notice to the other party thereto.

G. Purchasing general liability and hazard insurance covering improvements and activities on the Common Property at a current cost basis in an amount of no less than one hundred percent (100%) of the insurable value; directors and officers liability insurance; workers compensation as may be applicable; and such other insurance as the Board deems necessary. Hazard insurance proceeds for losses to any Common Property may not be used other than for repair, replacement or reconstruction of such property unless otherwise determined by a majority vote of the Board.

H. Adopting, publishing and enforcing such Rules and Regulations as the Board deems necessary.

I. Lighting of roads and sidewalks.

J. Maintain, repair or replace the exterior, including roof, of any Common Area building within the Property, not including Residential Units.

K. The Association may carry out any of the functions and services in Section 1 of this Article to the extent such maintenance and services can be provided with the proceeds first from annual assessments and then, if necessary, from special assessments. The function and services permitted in Section 1 of this Article to be carried out or offered by the Association at any particular time shall be determined by the Board taking into consideration proceeds of assessments and the needs of the Members of the Association. The functions and services that the Association is authorized to carry out or to provide may be added to or reduced at any time upon the affirmative vote of the majority of the Board. The Association may provide the permitted services by contract with third parties, including agreements with applicable governmental agencies. Any professional management contracts entered into by the Association shall contain reasonable terms and termination provisions. Any contracts or leases entered into by the Association prior to the Turnover Date, including any professional management contract shall provide a right of termination without cause, which is exercisable without penalty at any time after the Turnover Date, upon not more than ninety (90) days notice to the other party thereto.

L. Establish use fees and promulgate rules and regulations respecting the use of Limited Common Property and Association facilities by Members and persons other than Members.

M. If the Master Association fails to do so, maintain all streets and roads within the Property, which shall be Common Areas, subject to Easements pursuant to Article VI of this Declaration. The Association shall be entitled to reimbursement from the Master Association.

N. Maintain all potable water and sanitary sewer facilities contained within Limited Common Areas, consistent with all applicable standards and requirements of federal, state and local governments, and subject to Easements pursuant to Article VI of this Declaration.

O. Perform any other functions the Association reasonably deems appropriate for the maintenance and enjoyment of the Property.

P. The Association may request the Master Association to assume the Association's obligations and perform on behalf of the Association, including but not limited to, collecting annual and special assessments, contracting with a management company, hiring third party contractors to maintain the Limited Common Area. The Association may request the Master Association to provide additional services or a higher level of service, and in such case, any additional costs may be assessed against the Association members.

Section 2. Conveyance to Association. The Association shall be obligated to accept any and all conveyances to it by Declarant of fee simple title, easements or leases to Open Space, lakes, Surface Water Management System, conservation areas, easements or Common Property.

Section 3. Conveyance by Association. Subject to the provisions of Article VI, the Association shall be empowered to delegate or convey any of its functions or properties to any governmental unity or public utility or for other public purposes consistent with the intended use of such property. In addition, the Association may convey lands or easements to the Declarant in connection with replatting of any portion of the Property.

11. ARTICLE V, Section 1. is deleted and the following is inserted in its place:

Section 1. Purpose of Assessments. The assessments levied by the Association (hereinafter referred to as "Assessments") shall be used for the purpose of promoting the recreation, health, safety and welfare of the residents in the Property in accordance with services provided by the Association in Article IV, including, but not limited to, maintaining, operating and improving drainage, landscaping within the Limited Common Area, easement areas, and landscape berms; the exterior portion of any buildings on the Property, including Residential Units, the payment of taxes and insurance on the Limited Common Area; repair, replacement, and additions to the drainage Storm Water Management and other improvements; and for the costs of labor, equipment, materials, management and supervision thereof not provided for, if any, by the Master Association. The annual assessment may also provide reasonable reserves for deferred maintenance, replacements and betterments as further set out in the Association Bylaws.

12. ARTICLE V, Section 9. is deleted and the following is inserted in its place:

Section 9. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment not paid within fifteen (15) days after the due date shall bear interest from the due date at the maximum rate allowed by law or a lower rate set by this Association per annum. The Board of Directors of the Association may accelerate the remaining installments and declare the entire assessment as to the delinquent Owner due and payable in full as if the entire amount was originally assessed, with interest accruing on any unpaid amount at the highest rate allowed by law. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Owner's Lot. There shall be added to the amount of such assessment the costs of preparing and filing the complaint in such action and, in the event a judgment is obtained, such judgment shall include interest on the assessment as provided herein and reasonable attorneys' fees to be fixed by the Court, together with the costs of the action. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Limited Common Area or abandonment of his Lot.

13. ARTICLE V, Section 11. is deleted and the following is inserted in its place:

Section 11. Exempt Property. The following property subject to this Declaration shall be exempted from the assessments, charges and liens created herein: (a) any parcel of the Property (excluding platted easements within Lots) which serves as an easement or which is dedicated and accepted by a local public authority, and devoted to

public use; and (b) all Limited Common Area or Common Area as defined in Article I (e) and (g), hereof.

14. ARTICLE VII, Section 5. is deleted and the following is inserted in its place:

Section 5. Livestock and Animal Restrictions. No livestock, poultry or animals of any kind or size shall be raised, bred or kept on any Lot in any Residential Unit, provided, however, that dogs, cats, or other common domesticated household pets may be raised and kept provided such pets are not kept, bred or maintained for any commercial purposes. Domesticated household pets are limited to three (3) pets per Lot. Such permitted pets shall be kept on Owner's Lot and shall not be allowed off the premises of Owner's Lot except on a leash. Pet owners are responsible for cleaning up after their pets when pets defecate. Failure to clean up after a pet may subject Owner to penalties as outlined in Article XI, Section 4, or to fines levied pursuant to statute. The Association shall have the right to revoke the Owner's right to have a pet on the Property in the event of repeated violations of this provision. No permitted pet shall be allowed to make noise in such manner or such volume as to annoy or disturb other Owners. Nothing herein shall relieve any Owner from compliance with and City regulations regarding animals.

15. ARTICLE VI is amended as follows, in each instance where the term Common Area or Common Areas is stated within Article VI, it shall be replaced with the term Limited Common Area or Limited Common Areas.

16. ARTICLE VII is amended as follows, in each instance where the term Common Area or Common Areas is stated within Article VII, it shall be replaced with the term Limited Common Area or Limited Common Areas.

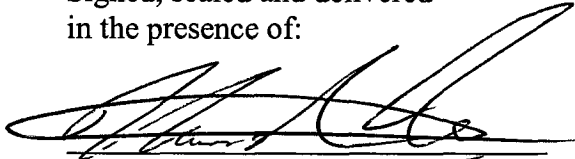
17. ARTICLE XII is amended as follows, in each instance where the term Common Area or Common Areas is stated within Article XII, it shall be replaced with the term Limited Common Area or Limited Common Areas.

18. Approves of and consents to the implementation of the Master Declarations of Covenants, Conditions and Restrictions of Clermont Yacht Club at Clermont, Lake County, Florida, which is attached hereto and incorporated herein as **Exhibit "B"**.

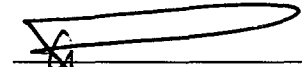
Except to the extent modified herein, all other terms and conditions of the Declaration and corrected Declaration remain in full force and effect and unchanged.

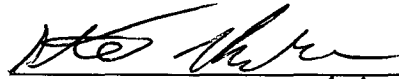
IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed on the day and year first above written.

Signed, sealed and delivered
in the presence of:


Printed Name: Nicholas A. Edgington

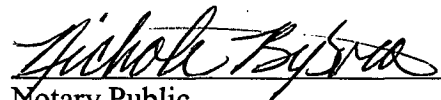
CLERMONT YACHT CLUB
HOMEOWNER'S ASSOCIATION,
INC.


Phillip A. Edgington, President


Printed Name: Steven Kuharste

STATE OF FLORIDA
COUNTY OF LAKE

The foregoing instrument was acknowledged before me this 26th day of
July, 2006, by Phillip A. Edgington, as President of Clermont Yacht Club
Homeowner's Association, Inc., a Florida corporation, who is personally known to me.


Notary Public
My Commission Expires: June 6, 2010

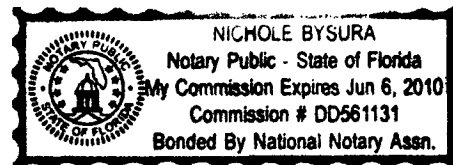


EXHIBIT "A"

CLERMONT YACHT CLUB

A PORTION OF TOWNSITE OF CLERMONT, PLAT BOOK 3, PAGE 5, PUBLIC RECORDS OF LAKE COUNTY, FLORIDA, SECTIONS 18 & 19, TOWNSHIP 22 SOUTH, RANGE 26 EAST, CITY OF CLERMONT, LAKE COUNTY, FLORIDA.

DESCRIPTION:

THAT PORTION OF TOWNSITE OF CLERMONT, AS PER PLAT THEREOF RECORDED IN PLAT BOOK 3, PAGE 5, PUBLIC RECORDS OF LAKE COUNTY, FLORIDA AND BEING LOCATED IN SECTIONS 18 AND 19, TOWNSHIP 22 SOUTH, RANGE 26 EAST MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE EAST RIGHT OF WAY LINE OF EAST AVENUE AND THE NORTH RIGHT OF WAY LINE OF GRAND HIGHWAY RUN N00°00'00"W ALONG THE SAID EAST RIGHT OF WAY LINE OF EAST AVENUE A DISTANCE OF 781.62 FEET; THENCE RUN N36°58'09"E A DISTANCE OF 205.63 FEET TO THE BEGINNING OF A CURVE, CONCAVE TO THE NORTHWEST, HAVING A RADIUS OF 246.53 FEET; THENCE RUN NORTHEASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 22°40'39", AN ARC DISTANCE OF 97.58 FEET; THENCE RUN N16°17'30"E A DISTANCE OF 558.46 FEET THENCE RUN N89°46'10"E ALONG THE SOUTH LINE OF CHERRY KNOLL, AS PER THE PLAT THEREOF RECORDED IN PLAT BOOK 29, PAGES 99 AND 100, PUBLIC RECORDS OF LAKE COUNTY, FLORIDA A DISTANCE OF 940.24 FEET; THENCE RUN S00°20'16"W A DISTANCE OF 659.84 FEET; THENCE RUN N89°56'43"E A DISTANCE OF 247.65 FEET TO A POINT ON A CURVE, CONCAVE TO THE SOUTH, HAVING A RADIUS OF 1230.00 FEET; THENCE FROM A RADIAL BEARING OF S18°69'30"E RUN SOUTHWESTERLY ALONG THE ARC OF SAID CURVE ALSO BEING THE NORTH RIGHT OF WAY LINE OF GRAND HIGHWAY THROUGH A CENTRAL ANGLE OF 17°51'18", AN ARC DISTANCE OF 383.31 FEET; THENCE RUN S53°09'12"W A DISTANCE OF 1218.74 FEET; THENCE RUN N89°26'07"W A DISTANCE OF 202.34 FEET TO THE POINT OF BEGINNING.

TOGETHER WITH THAT PORTION OF LAKE FRONT PROPERTY DESCRIBED AS FOLLOWS:

BEGINNING AT THE CENTERLINE OF HULL STREET AS SHOWN ON TOWNSITE OF CLERMONT AS PER PLAT THEREOF RECORDED IN PLAT BOOK 3, PAGE 5, PUBLIC RECORDS OF LAKE COUNTY, FLORIDA AND THE WEST RIGHT OF WAY LINE OF LAKE DRIVE (STATE ROAD NO. 561) RUN N38°58'09"E ALONG SAID RIGHT OF WAY LINE OF LAKE DRIVE A DISTANCE OF 63.44 FEET TO THE BEGINNING OF A CURVE, CONCAVE TO THE WEST, HAVING A RADIUS OF 176.53 FEET; THENCE RUN NORTHERLY ALONG THE

ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 22°40'39", AN ARC DISTANCE OF 69.87 FEET; THENCE RUN N16°17'30"E A DISTANCE OF 537.70 FEET; THENCE RUN S89°46'10"W A DISTANCE OF 39.77 FEET TO THE WATER EDGE OF LAKE MINNEOLA; THENCE RUN SOUTHERLY ALONG THE SAID WATERS EDGE TO A POINT S89°56'43"W, FROM THE POINT OF BEGINNING; THENCE RUN N89°56'43"E A DISTANCE OF 64.73 FEET TO THE POINT OF BEGINNING.

LESS AND EXCEPT

CLERMONT YACHT CLUB PHASE 2
A REPLAT OF TRACT "G", CLERMONT YACHT CLUB
PLAT BOOK 44, PAGES 44, 45 & 46
PUBLIC RECORDS OF LAKE COUNTY, FLORIDA
CITY OF CLERMONT
SECTIONS 18 AND 19, TOWNSHIP 22 SOUTH, RANGE 26 EAST

DESCRIPTION:

A REPLAT OF TRACT "G", CLERMONT YACHT CLUB, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 44, PAGES 44, 45 AND 46, PUBLIC RECORDS OF LAKE COUNTY, FLORIDA.

MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE NORTHEAST CORNER OF SAID TRACT "G", CLERMONT YACHT CLUB; THENCE RUN S89°46'10"W ALONG THE NORTH BOUNDARY OF SAID TRACT "G", A DISTANCE OF 640.96 FEET; THENCE S00°55'52"E, 62.33 FEET; THENCE S61°47'42"W, 40.75 FEET; THENCE S25°26'28"E, 169.21 FEET TO A POINT ON A CURVE CONCAVE SOUTHERLY AND HAVING A RADIUS OF 625.00 FEET; THENCE WESTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 08°48'06", AN ARC DISTANCE OF 96.01 FEET, A CHORD BEARING AND DISTANCE OF S60°09'29"W, 95.92 FEET TO A POINT OF COMPOUND CURVATURE OF A CURVE CONCAVE EASTERLY AND HAVING A RADIUS OF 25.00 FEET; THENCE SOUTHERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 92°03'00", AN ARC DISTANCE OF 40.16 FEET, A CHORD BEARING AND DISTANCE OF S09°43'56"W, 35.98 FEET TO A POINT OF REVERSE CURVATURE OF A CURVE CONCAVE WESTERLY AND HAVING A RADIUS OF 180.00 FEET; THENCE SOUTHERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 16°16'32", AN ARC DISTANCE OF 51.13 FEET, A CHORD BEARING AND DISTANCE OF S28°09'18"E, 50.96 FEET; THENCE DEPARTING SAID CURVE RUN N66°15'01"E, 40.39 FEET; THENCE N83°40'51"E, 36.59 FEET; THENCE S56°50'22"E, 46.59 FEET; THENCE S06°19'18"E, 33.35 FEET; THENCE S00°20'16"W, 200.73 FEET; THENCE S00°20'12"E, 33.42 FEET; THENCE S10°46'47"E, 67.16 FEET; THENCE S22°20'20"E, 45.25 FEET; THENCE S38°55'29"E, 120.47 FEET TO A POINT ON A CURVE CONCAVE SOUTHEASTERLY AND HAVING A RADIUS OF 1470.00 FEET; THENCE

NORTHEASTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF $15^{\circ}07'17''$, AN ARC DISTANCE OF 387.96 FEET, A CHORD BEARING AND DISTANCE OF $N60^{\circ}32'21''E$, 386.83 FEET TO A POINT OF COMPOUND CURVATURE OF A CURVE CONCAVE SOUTHERLY AND HAVING A RADIUS OF 70.00 FEET; THENCE EASTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF $44^{\circ}59'10''$, AN ARC DISTANCE OF 54.96 FEET, A CHORD BEARING AND DISTANCE OF $S89^{\circ}24'26''E$, 53.56 FEET TO A POINT OF REVERSE CURVATURE OF A CURVE CONCAVE NORTHERLY AND HAVING A RADIUS OF 130.00 FEET; THENCE EASTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF $23^{\circ}08'26''$, AN ARC DISTANCE OF 52.50 FEET, A CHORD BEARING AND DISTANCE OF $S78^{\circ}29'04''E$, 52.15 FEET TO A POINT OF TANGENCY; THENCE $N89^{\circ}56'43''E$, 2.56 FEET TO THE EASTERLY BOUNDARY OF SAID TRACT "G" AND THE WESTERLY BOUNDARY OF EDGEWOOD PLACE, AS RECORDED IN PLAT BOOK 18, PAGE 59, PUBLIC RECORDS OF LAKE COUNTY, FLORIDA; THENCE $N00^{\circ}20'16''E$ ALONG SAID EASTERLY BOUNDARY OF TRACT "G" AND THE EASTERLY BOUNDARY OF EDGEWOOD PLACE, A DISTANCE OF 659.84 FEET TO THE POINT OF BEGINNING.

CONTAINING 9.94 ACRES, MORE OR LESS

Prepared by and Return to:
Anita R. Geraci, Esq.
GrayRobinson, P.A.
1635 E. Highway 50, Suite 300
Clermont, Florida 34711

MASTER DECLARATIONS OF COVENANTS,
CONDITIONS AND RESTRICTIONS OF
CLERMONT YACHT CLUB AT
CLERMONT, LAKE COUNTY, FLORIDA

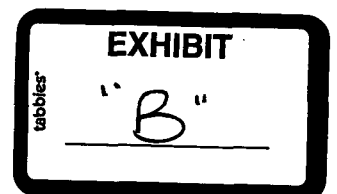


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**MASTER DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS OF CLERMONT YACHT CLUB AT
CLERMONT, LAKE COUNTY, FLORIDA**

This Master Declaration of Covenants, Conditions and Restrictions of Clermont Yacht Club's Master Association ("Declaration") is made this 18th day of May, 2006 by Edgington Enterprises, Inc., a Florida corporation, whose address is 1150 W. Minneola Avenue, Clermont, Florida 34711, ("Developer"), Masthead, LLC, a Florida limited liability company, whose address is 1150 W. Minneola Avenue, Clermont, Florida 34711, ("Condominium Developer"), and Clermont Yacht Club Homeowner's Association, Inc., a Florida corporation, whose address is 1150 W. Minneola Avenue, Clermont, Florida 34711, ("CYC Association").

W I T N E S S E T H:

WHEREAS, the Developer, Condominium Developer, CYC Association, and Owners are the owners of certain real property located in Lake County, Florida, which is more particularly described in Exhibit "A" attached hereto (hereinafter referred to as the "Property").

WHEREAS, the CYC Association has agreed to appoint Edgington Enterprises, Inc. and Condominium Developer as the Declarant under this Declaration.

WHEREAS, the Developer, Condominium Developer, and CYC Association desire to amend the plan of development for the Property in order to conform to the Developer's original intent to develop Tract E of the plat of Clermont Yacht Club as recorded in Plat Book 44, Pages 44-46, Public Records of Lake County, Florida, as a condominium project pursuant to §718, *Florida Statutes* ("Condominium Project").

WHEREAS, the Developer, Condominium Developer, and CYC Association desire to share certain common area with the Condominium Project as well as share in the maintenance, repair and costs associated therewith.

WHEREAS, to more easily facilitate the sharing of common area and expenses, the Developer, Condominium Developer and CYC Association believe a Master Association with a Community Association for the townhomes at the Clermont Yacht Club and a separate Community Association for the Condominium Project is necessary.

WHEREAS, the Developer, Condominium Developer, and CYC Association also desire to ensure that the docking slip/s area, which shall be governed by a separate association, is developed and maintained such that it preserves the values within the Property, and adheres to the architectural design of the Clermont Yacht Club Community.

WHEREAS, the Developer, Condominium Developer, and CYC Association believe the plan of development for the Property as a master planned community will provide for the preservation of values and amenities within the Property, all subject to the Board's and Members' ability to respond to changes in circumstances, conditions, needs and desires within the Clermont Yacht Club Community.

WHEREAS, the Property is subject to development, architectural and design controls as set forth in this Declaration governing individual conduct, the uses of the Property, actions upon the Property, and rules and regulations promulgated by this Declaration, as they may be amended from time to time, all of which establish affirmative and negative covenants, easements and restrictions on the Property.

WHEREAS, the Developer, Condominium Developer, and CYC Association intend that the Property be developed as a town home and condominium planned community with various common areas for the benefit of all owners within the Property.

NOW THEREFORE, the Declarant hereby declares that the Property shall be held, sold, conveyed, leased, mortgaged and otherwise dealt with subject to the easements, covenants, conditions, restrictions, reservations, liens and charges as set forth herein all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of the Property. The easements, covenants, conditions, restrictions, reservations, liens and charges shall run with the Property and shall be binding on all parties having and/or acquiring any right, title or interest in the Property or in any part thereof, and shall inure to the benefit of each and every person or entity, from time to time, owning or holding an interest in said Property.

ARTICLE I

DEFINITIONS

The following words and terms when used in this Declaration or any supplemental or amended declaration shall have the following meaning unless otherwise indicated:

- A. **"Architectural Review Committee"** or **"ARC"** shall refer to the committee established by the Board and described in Article VIII hereof.
- B. **"Articles"** shall mean the Articles of Incorporation of the Clermont Yacht Club Master Association as they may exist from time to time. The Articles of Incorporation are attached hereto as Exhibit "B".
- C. **"Association"** shall mean Clermont Yacht Club Master Association, Inc., a Florida non-profit corporation, its successors and assigns and shall be a property owner's association, not a condominium formed pursuant to §718, *Florida Statutes*. All Owners shall be a member of the Clermont Yacht Club Master Association.

- D. **“Board”** shall mean the Board of Directors of the Clermont Yacht Club Master Association.
- E. **“By-Laws”** shall mean the Bylaws of the Clermont Yacht Club Master Association as they may exist from time to time. The Bylaws are attached hereto as Exhibit “C”.
- F. **“Clermont Yacht Club Community”** shall mean the Property which is described in Exhibit “A”.
- G. **“Common Expenses”** shall mean the actual and estimated expenditures, including reasonable reserves, for maintenance, operation and other services required or authorized to be performed by the Association with respect to Common Property, Open Spaces, Club House, Pool, Entrance, Gate, Street Lights, Named Streets, Landscape, Retention Ponds, Beach and Surface Water Management Systems all as may be found to be reasonably necessary by the Board pursuant to this Declaration, the Bylaws and the Articles of Incorporation of the Association. The expenses related to the docking slip/s and its Community Association is not Common Expenses.
- H. **“Common Area or Common Property”** shall mean those portions of the Common Area which are for the use and benefit of the owners of the town homes, and owners of the condominiums in the Condominium Project as identified in Exhibit “D”. All costs associated with maintenance, repair, replacement, and insurance of Common Areas shall be assessed against the owners of the town homes, and the owners of the condominiums in the Condominium Project. The term “Common Property” shall also include any personal property acquired by the Association if the personal property is designed as “Common Property” in the bill of sale or instrument transferring such property. Common Property is reserved for the use and benefit of Members, and is an integral appurtenant part of each Residential Unit. Specifically Common Area or Common Property includes, without limitation, the beach, clubhouse, pool, entry, street lights, named streets, retention ponds, and entrance to Clermont Yacht Club Community including gate. Common Area or Common Property does not include the docking slip/s.
- I. **“Community Association”** shall mean and refer to any property owner’s association formed to operate and maintain a number of Residential Units and property common to such Residential Units. Three Community Associations shall exist. A community association shall exist for the townhomes which shall be known as the Clermont Yacht Club Association, Inc. A separate community association shall exist for the condominiums which shall be known as The Clermont Yacht Club Condominium Association, Inc. A third separate community association

shall exist for the docking slip/s which shall be known as the Docking slip/s at Clermont Yacht Club.

- J. **“Community Expenses”** shall mean the actual and estimated expenses incurred by the Community Association (excluding the Docking slip/s at Clermont Yacht Club) for the benefit of owners of Units within that Community, which may include a reasonable reserve for capital repairs and replacements, all as may be specifically authorized from time to time by the Board and as more particularly authorized herein.
- K. **“Community-Wide Standard”** shall mean the standard of conduct, maintenance, or other activity generally prevailing throughout the Property. Such standard may be more specifically determined by the Board and ARC.
- L. **“Declarant”** shall mean Edgington Enterprises, Inc. and Masthead, LLC and its successors and assigns who take title to any portion of the Property for the purpose of development and sale, and are designated as the Declarant hereunder in a recorded instrument executed by Edgington Enterprises, Inc. or Masthead, LLC. For purposes of funding of deficit as set forth in Article VI, Section 7. Declarant may mean Edgington Enterprises, Inc. or Masthead, LLC.
- M. **“Design Guidelines”** shall mean the Clermont Yacht Club Design Guidelines as may be promulgated by the Declarant or the Association, and as may be revised from time to time.
- N. **“Docking Slip/s”** shall mean and be defined as a slip constituting a part of a Docking Slip Structure, for the docking or mooring of a boat to Tract D (Beach) located at Lake Minneola.
- O. **“Docking Slip Structure”** shall mean and be defined as a structure, containing an appendage attached to Tract D (Beach), consisting of (a) a main boardwalk/docking appendage attached to and extending from the main structure of the Tract D (Beach) and leading to several Docking Slips, and (b) Docking Slips, all as a more particularly designed by the Declarant.
- P. **“Institutional Lender”** shall mean and refer to the owner and holder of a mortgage encumbering a Residential Unit or the Property, which owner and holder of said mortgage may be a lender generally recognized in the community as an institutional lender.
- Q. **“Limited Common Property”** To the extent applicable and subject to the provisions of this Declaration, Limited Common Property shall constitute any Common Property reserved for the use, enjoyment and

benefit of certain designated Owners to the exclusion of other Owners, including, but not necessarily limited to, the Docking Slip Structures and Docking Slips.

- R. **"Lot"** shall mean any parcel of land shown upon any recorded plat of the Property upon which a town home for single-family residential use will be located.
- S. **"Master Plan"** shall mean and refer to the plats and other documents approved by Lake County or the City of Clermont for the development of Clermont Yacht Club.
- T. **"Member"** shall mean and refer to all those owners who are Members of the Association as provided in Article III hereof.
- U. **"Mortgage"** shall mean a permanent or construction mortgage, a deed of trust, a deed to secure debt, or any other form of security deed, including any collateral security documents executed in connection therewith.
- V. **"Mortgagee"** shall mean a beneficiary or holder of a Mortgage.
- W. **"Notice"** shall mean deliver of any document by U. S. Mail with postage prepaid to the last known address according to the records of the Association of the person or entity who appears as Owner in the records of the Association. Notice to one of two or more co-owners shall constitute notice to all Owners.
- X. **"Owner"** shall mean and refer to the owner as shown on the records of the Association (whether it be the Declarant, one or more persons, firms or legal entities) of fee simple title to any Residential Unit or Residential Property located within the Property. Owner shall not mean or refer to the holder of a mortgage or security deed its successors or assigns, unless and until such holder has acquired title pursuant to foreclosure or a proceeding or deed in lieu of foreclosure. Owner shall not mean or refer to any lessee or tenant of an Owner.
- Y. **"Property"** shall mean and include the real property described in attached Exhibit "A".
- Z. **"Residential Property"** shall mean any parcel of land located within the Property intended for use as a site for Residential Units.
- AA. **"Residential Unit"** shall mean and refer to any improved platted single family town house unit or condominium unit.

- BB. **"Supplemental Declaration"** shall mean any supplement, amendment or modification of this Declaration.
- CC. **"Surface Water Management System"** shall mean that portion of Property considering of swales, inlets, culverts, retention ponds, lakes, outfalls, storm drains and the like, and all connecting pipes and easements, used in connection with the retention, drainage and control of surface water.
- DD. **"Turnover"** shall mean the transfer of operation of the Association by the Declarant as described in Article X hereof.
- EE. **"Unit"** shall mean a portion of the Property, whether developed or undeveloped, intended for development, use and occupancy as a town house and condominium unit for a single family, as well as vacant land intended for development as such. In the case of a condominium building or attached town houses, each dwelling shall be deemed to be a separate unit.
- FF. **"Voting Member"** shall mean the Declarant as to votes allocated to the Class B and C member, and any Residential Unit owner as to the votes allocated to Class A members. All vote allocations are as provided in Article III, Section 2 hereof.

ARTICLE II

PROPERTY SUBJECT TO DECLARATION

Section 1. **Existing Property.** The real property which is currently subject to this Declaration is all of the real property more particularly described in Exhibit "A" and is located in Lake County, Florida (the "Property").

Section 2. **Further Restrictive Covenants.** The Declarant may record further restrictive covenants, Declarations of Condominium, or Declaration of Covenants, Conditions and Restrictions pertaining to homeowners associations, or plats as to any of the Property.

ARTICLE III

MASTER ASSOCIATION

Section 1. **Membership.** Every Owner, including the Declarant, shall be a Member of the Association, and by acceptance of a deed or other instrument evidencing ownership interest, each Owner accepts membership in the Association, acknowledges the authority of the Association as herein stated, and agrees to abide by and be bound by the provisions of this Declaration, the Articles of Incorporation, the Bylaws and other rules and regulations of the Association. In addition, the family guests, invitees and tenants of said Owners shall, while in or on the Property, abide and be bound by the

provisions of this Declaration, the Articles of Incorporation, the Bylaws and other rules and regulations of the Association.

Section 2. Allocation of Voting Rights.

A. Members of the Association shall be allocated votes as follows:

Class A. Class A members shall be all Owners of improved Residential Units that have been conveyed to such Owners by a builder or developer of Residential Property. Class A members shall be allocated one vote for each improved Residential Unit in which they hold the interest required for membership by Article III, Section 1 of this Declaration.

Class B. Class B members shall be Owners of unplatted Residential Property other than the Declarant. Class B members shall be allocated one vote for each Residential Unit allowable to the Residential Property under the Master Plan owned by the Class B member (and which has not been developed by plat, declaration of condominium or otherwise) plus the actual number of Residential Units owned by the Class B member (including rental units owned) and shown on a recorded subdivision plan, approved site plan, declaration of condominium or cooperative.

Class C. Class C member shall be the Declarant, or its specifically designated (in writing) successor. The Class C member shall be allocated a number of votes equal to three times the total number of Class A and Class B votes at any time; provided, that the Class C membership shall cease and become converted to Class A and B membership, as determined by the type of land owned by the Declarant, upon Turnover of the Association as set forth in Article X.

- B.** When any property entitling the Owner to membership in the Association is owned of record in the name of two or more persons or entities, whether fiduciaries, joint tenants, tenants in common, tenants in partnership, or in any other manner of joint or common ownership, or if two or more persons or entities have the same fiduciary relationship respecting the same property, then the vote of its representative shall be considered to represent the will of all the Owners of that property.
- C.** For purposes of determining voting rights hereunder, the membership roster shall be set as of sixty (60) days prior to the commencement of the Association's fiscal year.

Section 3. Change of Membership.

- A.** Change of membership in the Association shall be established by recording in the public records of Lake County, Florida, a deed or other

instrument conveying record fee title to any Residential Unit or Residential Property, and by the delivery to the Association of a copy of such recorded instrument. The Owner designated by such instrument shall, by 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 said instrument is not delivered to the Association, said Owner shall become a Member, but shall not be entitled to voting privileges enjoyed by its predecessor in interest until delivery of a copy of the conveyance instrument to the Association. The foregoing shall not, however, limit the Association's powers or privileges and the new Owner shall be liable for accrued and unpaid fees and assessments attributable to the Residential Unit acquired.

- B. 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 the Owner's real property. Membership in the Association by all Owners shall be compulsory and shall continue, as to each Owner, until such time as such Owner of record transfers or conveys his interest in the real property upon which his membership is based or until said interest is conveyed or transferred by operation of law, at which time the membership shall automatically be conferred upon the transferee. Membership shall be appurtenant to, run with, and shall not be separated from the real property interest upon which membership is based.

Section 4. **Declarant Rights to Appoint Directors.** The Declarant shall be entitled to appoint one (1) member of the Board for as long as the Declarant holds for sale in the ordinary course of business at least five percent (5%) of the Residential Units or Lots.

ARTICLE IV

FUNCTIONS OF MASTER ASSOCIATION

Section 1. **Common Area.** The Association, subject to the rights of the Owners set forth in this Declaration, shall be responsible for the exclusive management and control of the Common Areas and all improvements thereon (including, without limitation, furnishings and equipment related thereto and common landscaped areas) and shall keep the Common Areas in good, clean, attractive, and sanitary condition, order and repair, pursuant to the terms and conditions hereof and consistent with the Community Wide Standard.

Section 2. **Personal Property and Real Property for Common Use.** The Association, through action of its Board, may acquire, hold, and dispose of tangible and intangible personal property and real property. The Board, acting on behalf of the Association, shall accept any real or personal property, leasehold, or other property interests within the Property conveyed to it by the Declarant.

Section 3. **Services.** The Association shall have the following powers:

- A. Maintenance of all Common Areas and Common Property, Lakes, Open Space, Surface Water Management Systems, landscaping, irrigation systems, and all city, county, district or municipal properties and rights of way (to the extent permitted by any governmental authority) which are located within or in a reasonable proximity to the Property where deterioration of any of the described items would adversely affect the appearance of the Property or the operation of systems appurtenant to Clermont Yacht Club Community. The Association shall adopt standards of maintenance and operation required by this and other subsections within this Section 3 which are consistent with the Community-Wide Standard.
- B. Maintenance of any real property located within Clermont Yacht Club Community upon which the Association has accepted an easement for said maintenance.
- C. Maintenance of beaches, lakes and canals owned or dedicated for the use of the Association within the Property, as well as maintenance of water bodies not owned by the Association within the Property to the extent permitted by any governmental authority having jurisdiction thereof.
- D. Taking any and all actions necessary to enforce all covenants, conditions and restrictions affecting the Property and to perform any of the functions or services delegated to the Association in any covenants, conditions or restrictions applicable to the Property or in the Articles or Bylaws.
- E. 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, notice of meetings and other events. The Association shall have the right to enter into management services, and perform its function.
- F. Establishing and operating the Architectural Review Committee after Turnover or in the event that the Association is delegated such purpose by the Declarant.
- G. Adopting, publishing and enforcing such Rules and Regulations as the Board deems necessary.
- H. Lighting of roads and sidewalks within the Property as deemed necessary by the Board.
- I. Constructing improvements on Common Property and easements as may be required to provide the services as authorized by this Article.

- J. In addition to maintenance herein provided, the Association may, in the discretion of its Board, assume the maintenance responsibilities of an Association. In such event, all costs of such maintenance shall be assessed only against the Units within the Community Association to which the services are provided. This assumption of maintenance responsibility may take place either by contract or agreement or because in the Board's opinion, the level and quality of service then being provided is not consistent with the Community-Wide Standard of the Property. The provision of services in accordance with the section shall not constitute discrimination within a class.
- K. Upon resolution of the Board, each Community Association shall be responsible for paying through Community Association Assessments, costs of maintenance of Common Areas associated with such Community as well as certain portions of the Common Property within or adjacent to such Community, which may include without limitation, buildings, and amenities within the Community, the costs of maintenance of any right-of-way and green space between the Community and adjacent public roads, and lakes or ponds within the Community, regardless of ownership and regardless of the fact that such maintenance may be performed by the Association. Any Community Association having responsibility for maintenance of all or a portion of the Property within a particular Community pursuant to a declaration of covenants affecting the Community shall perform such maintenance responsibility in a manner consistent with the Community-Wide Standard. If any such Community fails to perform its maintenance responsibility as required herein and in any additional declaration, the Association may perform it and assess the costs against all Units with such Community as provided in Article VI, Section 3, J.
- L. Promulgate rules and regulations respecting the use of Common Property and Association facilities by Members and persons other than Members, including the Docking Slips and its Community Association members and invitees. Rules relating to the use of the Docking Slips, may include, but not be limited to, restrictions on the size, length and type of vessels allowed to be in the Docking Slips.
- M. Engage in activities reasonably necessary to remove from the Common Property, Lakes, Surface Water Management System and Open Space (define) any pollutants, hazardous waste or toxic materials, and by Special Assessment, recover costs incurred from the Member(s) causing or upon whose property such materials were located or generated.
- N. For good cause or when compelled by state statute, Lake County, or City of Clermont ordinance, the Association shall have the right and authority

to reassign Docking Slips from time to time upon written notice to the affected Residential Unit Owners.

The functions and services allowed in this Section to be carried out or offered by the Association at any particular time shall be determined by the Board taking into consideration proceeds of assessments and the needs of the Members of the Association. The functions and services which the 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. The Association may provide the permitted services by contract with third parties, including agreements with applicable governmental agencies.

Section 4. **Conveyance to Association.** The Association shall be obligated to accept any and all conveyances to it by Declarant of the fee simple title, easements or leases to Open Space, lakes, Surface Water Management Systems or Common Property.

Section 5. **Conveyance by Association.** The Association may convey lands or easements to the Declarant in connection with any replatting of any portion of the Property.

ARTICLE V

EASEMENTS

Section 1. **Appurtenant Easement.** Declarant reserves unto itself and hereby grants to all Members, their guests, lessees and invitees as an appurtenance to and as part of the ownership held by such Member, but subject to this Declaration, the Articles and Bylaws of the Association and the rules and regulations promulgated by the Association, a perpetual nonexclusive easement for ingress and egress over, across and through and for the use and enjoyment of the Common Property whose use is restricted by rules of the Association to Owners which Common Property is an intrinsic and appurtenant part of the value of the Residential Units; such use and enjoyment to be shared in common with the other Members, their guests, lessees and invitees as well as the guests, lessees and invitees of the Declarant. Provided, with respect to the Common Property the Declarant reserves the right, but not the obligation, to maintain and use all rights of ways associated therewith, and to maintain and place Declarant's signs thereon.

Section 2. **Utility Easements.** The Declarant reserves to itself (and its successors or assigns) the right to grant easements to any private company, public or private utility or governmental authority providing utility and other services within the Property and the Common Property upon, over, under and across the Property. Said easements shall be given only for the purpose of maintaining, installing, repairing, altering and operating storm sewer lines, irrigation lines, gas distribution, electrical, telephone, water distribution systems, cable television service, and all machinery and apparatus appurtenant thereto to all installation and maintenance of utilities and providing services to Owners, the Property and Common Property. All such easements are to be of a size, width, and location as Declarant, or the Association, if after Turnover, 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. **Declarant Easements.** The Declarant hereby reserves to itself, 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 does not unnecessarily interfere with the reasonable use and enjoyment of this property and these facilities by the Owners. Declarant reserves the right to impose further restrictions and to grant or dedicate additional easements and rights of way on any part of the Property owned by Declarant. The easements granted by Declarant shall not structurally weaken any improvements or unreasonably interfere with enjoyment of the Owners.

Section 4. **Service Easements.** Declarant hereby grants to delivery, garbage pick-up and fire protection services, police and other authorities of the law, United States mail carriers, representatives of electrical, telephone, cable television and other utilities authorized by the Declarant, its successors or assigns to service the Property, and to such other persons as the Declarant from time to time may designate, the non-exclusive, perpetual right of ingress and egress over and across the Common Property for the purposes of performing their authorized services and investigation.

Section 5. **Drainage Easements.** Drainage flow shall not obstruct or diverted from drainage easements. The Association may, but is not required, to cut drainways for surface water wherever and whenever such action appears to Association to be required to maintain reasonable standards of health, safety and appearance. These easements include the right to cut any trees, bushes or shrubbery, make any grading of the soil, or take any other action deemed reasonably necessary to install utilities but shall not include the right to disturb any improvements erected within the Property which are not located within the specific easement area designated on any plat or in this Declaration. Except as provided herein, existing drainage and drainage channels or areas reserved for such purpose shall not be altered so as to divert the flow of water onto adjacent parcels or into sanitary sewer lines. The Association shall have the sole control over elevations and slopes within drainage easements and no Owner or Community Association may alter any such elevations except upon written consent of the Association.

Section 6. **Conservation Easements.** Declarant reserves the right to grant Conservation Easements to qualified grantees over and across Common Property, Open Space, or Surface Water Management Systems as may be required by state or local law, ordinance, rule or regulation, including, but not limited to, any such easement required by Lake County, Florida.

The Conservation Easement, if any, shall contain the following language:

1. **Purpose.** The purpose of the Conservation Easement is to ensure that the property will be retained forever in its existing natural condition, except for those

activities specifically authorized by a Permit, and to prevent any use of the property that will impair or interfere with the environmental value of the Property.

2. **Prohibited Uses.** Any activity or use of the property inconsistent with the purpose of the Conservation Easement is prohibited. Without limiting the generality of the foregoing and except for activities specifically authorized by the Permit, the following activities and uses are prohibited on the Property:

(a) Construction or placing of buildings, roads, signs, billboards or other advertising, utilities, or other structures on or above the ground;

(b) Dumping or placing soil or other substance or material as landfill or dumping or placing of trash, waste, or unsightly or offensive materials;

(c) Removal or destruction of trees, shrubs, or other vegetation, or any portions thereof (including those activities exempted in subparagraph 369.20(8), Florida Statutes, within the Property as it existed prior to subdividing), except for non-indigenous vegetation, cattails (*Typha* spp.), primrose-willow (*Ludwigia peruviana*), and other species or individuals specifically identified by the District in writing as a nuisance within the Property;

(d) Excavation, dredging, or removal of loam, peat, gravel, soil, rock, or other material substances in such a manner as to affect the surface (including those activities exempted in subparagraph 403.813(2)(r), Florida Statutes, within the Property as it existed prior to subdividing);

(e) Surface use, except for purposes that allow the land or water area to remain predominantly in its natural condition;

(f) Activities detrimental to drainage, flood control, water conservation, erosion control, soil conservation, or fish and wildlife habitat preservation; and

(g) Acts or uses detrimental to such retention of land or water areas.

3. **Reserved Rights.** Grantor reserves unto itself, and its successors and assigns, all rights accruing from its ownership of the property, including the right to engage in or permit or invite others to engage in all uses of the property that are not expressly prohibited herein and are not inconsistent with the purpose of the Conservation Easement.

4. **Rights of Grantees.** To accomplish the purposes stated herein, Grantor conveys the following rights to Grantees:

(a) Grantees may enter upon and inspect the Property in a reasonable manner and at reasonable times to determine if Grantor is complying with the covenants and prohibitions contained in this Conservation Easement. No right of access by the general public to any portion of the Property is created by this Conservation Easement.

(b) Grantees, either individually or collectively, may proceed at law or in equity to enforce the provisions of this Conservation Easement and the covenants set forth herein, to prevent the occurrence of any of the prohibited activities set forth herein, and require the restoration of areas or features of the Property that may be damaged by any activity inconsistent with this Conservation Easement.

Section 7. **Access and Drainage Easement.** The Association shall have a perpetual non-exclusive easement over all areas of the surface water or storm water management system for access to operate, maintain or repair the system. By this easement, the Association shall have the right to enter upon any portion of any lot which is a part of the surface water or storm water management system, at a reasonable time and in a reasonable matter, to operate, maintain, or repair the surface water or storm water management system as required by the St. Johns River Water Management District permit. Additionally, the Association shall have a perpetual non-exclusive easement for drainage over the entire surface water or storm water management system. No person shall alter the drainage flow of the surface water or storm water management system, including buffer areas or swales, without the prior written approval of St. Johns River Water Management District.

Section 8. **Easement for Swale Maintenance.** The Declarant has constructed a Drainage Swale upon several lots for the purpose of managing and containing the flow of excess surface water, if any, found upon such lot from time to time. Each lot owner, including builders, shall be responsible for the maintenance, operation and repair of the swales on the lot(s). Maintenance, operation and repair shall mean the exercise of practices, such as mowing and erosion repair, which allow the swales to provide drainage, water storage, conveyance or other storm water management capabilities as permitted by the St. Johns River Water Management District. Filling, excavating, construction of fences or otherwise obstructing the surfaces water flow in the swales is prohibited. No alteration of the Drainage Swale shall be authorized, and any damage to any Drainage Swale, whether caused by natural or human induced phenomena, shall be repaired and the Drainage Swale returned to its former condition as soon as possible by the owner(s) of the lot(s) upon which the Drainage Swale is located.

Section 9. **Docking Slip/s Easement.** The Association shall have a perpetual non-exclusive easement and privilege and right in and to, over, under, on and across the property and facilities managed by the Docking Slip/s Association for ingress and egress as required for maintenance, repair and replacement should the Docking Slip/s Association fail to abide by this Declaration or its own governing documents. Such easement shall be for the benefit of the Association, by its officers, directors, employees, agents, independent contractors, invitees and designees; provided, however, that such access and use does not unnecessarily interfere with the reasonable use and enjoyment of this property and these facilities by its members.

A. **Docking Slip Easement.** There is hereby created, declared and reserved for the benefit of the Declarant and the Association an easement over, across, and upon

the Tract D (Beach) and all Common Areas necessary to gain access thereto, for purposes of constructing and installing Docking Slip Structures and Docking Slips, and for the benefit of Association, Declarant and the Owners that have been assigned Docking Slips, an easement over, across, and upon the Tract D (Beach), the Docking Slip Structures, and Docking Slips and all Common Areas necessary to gain access thereto, for purposes of obtaining access to the constructed Docking Slip Structure and Docking Slips to exercise all rights and obligations with respect to the Docking Slip Structures and Docking Slips granted pursuant to this Declaration.

Section 10. **Establishment of Easements.** All easements, as provided for in this Article, shall be established by one or more of the following methods, to wit:

- A. By a specific designation of an easement on any recorded Plat of the Property;
- B. By a reservation or specific statement providing for an easement in the deed of conveyance of a given Residential Unit;
- C. By a separate instrument referencing this Article V, such instrument to be subsequently recorded by the Declarant; or
- D. By virtue of the reservation of rights set forth in this Article V.

Section 11. **Extent of Easements.** The rights and easements of enjoyment created in this Article V shall be subject to:

- A. The right of the Declarant or Association to borrow money from any lender for the purpose of improving and/or maintaining the Common Area, lake, Surface Management Systems and Clubhouse 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 Member or any tenant of any Member 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 non-payment of any assessment or breach of any rules and regulations of the Association shall not constitute a waiver or discharge of the Member's obligation to pay the assessment.
- C. The Board shall have the power to place and remove any reasonable restrictions upon any roadways owned or maintained by the Association including, but not limited to, the maximum and minimum speeds of vehicles using said roads, all other necessary traffic and parking regulations, and the maximum noise levels of vehicles using said roads. The fact that any restriction 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 any restriction unreasonable.

ARTICLE VI
ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligations of Assessments.

The Declarant covenants and each Owner within the Clermont Yacht Club Community 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 the terms and provisions of this Declaration and to pay the Association (1) Annual Assessments, (2) Special Assessments and (3) Community Association Assessments, all fixed, established and collected from time to time as hereinafter provided. The Annual, Special and Community Association Assessments, together with such interest thereon and costs of collection provided herein, shall be a charge and constituting a lien as provided herein on the real property and improvements of the Owner against which each such assessment is made. Each 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. In the case of co-ownership of any Residential Unit, all of such co-owners shall be jointly and severally liable for the entire amount of the assessment.

The liability for assessments may not be avoided by waiver of the use and enjoyment of any Common Area or by the abandonment of the property against which the assessment was made. No diminution or abatement of assessment or set-off shall be claimed or allowed by reason of any alleged failure of the Association or Board to take some action or perform some function required to be taken or performed by the Association or Board under this Declaration or the Bylaws, or from any action taken to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority, or for any other reason.

Section 2. Purpose of Annual Assessments. The Annual Assessments levied by the Association may be used for the improvement, maintenance, enhancement and operation of the Common Areas, beach, Surface Water Management Systems, easements, Clubhouse, and to provide services which the Association is authorized or required to provide including, but not limited to, the payment of taxes and insurance thereon, construction, repair or replacement of improvements, payment of the costs to acquire labor, equipment, materials, management and supervision necessary to carry out its authorized functions, 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 the Association to perform its authorized or required functions. The Annual Assessments are not for the benefit of the docking slip/s.

Section 3. Capital Budget and Contribution. The Board shall annually prepare a capital budget to take into account the number and nature of replaceable assets,

the expected life of each asset, and the expected repair or replacement cost. The Board shall set the required capital contribution, if any, in an amount sufficient to permit meeting the projected capital needs of the Association, as shown on the capital budget, with respect both to amount and timing by Annual Assessments over the period of the budget. The capital contribution required, if any, shall be fixed by the Board and included within and distributed with the budget and assessment. Any reserve fund established by the Board shall be held in an interest-bearing account.

Section 4. **Annual Assessments.** It shall be the duty of the Board, at least sixty (60) days before the beginning of each fiscal year to prepare a budget covering the estimated Common Expenses of the Association during the coming year. The budget shall include a capital contribution establishing a reserve fund in accordance with a capital budget separately prepared in accordance with Section 3 hereof.

The Annual Assessment to be levied for the coming year against each Residential Unit subject to an assessment shall be based on a ratio of the number of votes each member is entitled to, divided by the total number of votes for the entire Association's membership.

The Board shall cause a copy of the Common Expense budget and notice of the amount of the Annual Assessment to be levied against each Residential Unit for the following year to be delivered to each Owner at least thirty (30) days prior to the beginning of the fiscal year. Such budget and assessment shall become effective unless disapproved at a meeting of the Voting Members by the vote of Voting Members representing at least a majority of each class of Members entitled to vote. There shall be no obligation to call a meeting for the purpose of considering the budget except on petition of the Voting Members as provided for special meetings in Article III, Section 5, of the Bylaws.

In the event the proposed budget is disapproved or the Board fails for any reason to determine the budget for any year, then and until such time as a budget shall have been determined as provided herein, the budget in effect for the immediately preceding year shall continue for the current year.

Section 5. **Special Assessments.** In addition to the Annual Assessments authorized by this Declaration, the Association may levy in any assessment year a Special Assessment provided such assessment shall have the affirmative vote or written consent of Voting Members representing at least two-thirds (2/3) of the votes of each class of Members. The obligation to pay Special Assessments shall be computed on the same basis as for Annual Assessments. Special Assessments shall be payable in such manner and at such times as determined by the Board, and may be payable in installments extending beyond the fiscal year in which the Special Assessment is approved.

The Association by majority vote of the Board may also levy a Special Assessment against Members to reimburse the Association for costs incurred to bring any Community into compliance with the provisions of the Declaration, any amendments

thereto, the Articles, Bylaws and the rules and regulations. The Special Assessment shall be levied only against the Members of the Community brought into compliance. The Special Assessment shall only be levied after notice to the Community Association and an opportunity for hearing.

Section 6. **Community Association Assessments.** The Association may impose a Community Association Assessment upon any Unit subject to the jurisdiction of a Community which assessment shall be for Community expenses benefiting only Units within a particular Community as further explained in Article VII entitled Communities. It shall be the duty of the Board, at least sixty (60) days before the beginning of each fiscal year to prepare a separate budget covering the estimated Community Expenses to be incurred by the Association for each Community on whose behalf Community Expenses are expected to be incurred during the coming year. The Board shall be entitled to set such budget only to the extent that this Declaration or the Bylaws specifically authorizes the Board to assess certain costs as a Community Assessment.

The Community Association for each Community may request that additional services or a higher level of services be provided by the Association, and in such case, any additional costs shall be added to such budget. Such budget may include a capital contribution establishing a reserve fund for repair and replacement of capital items within the Community, as appropriate. Community Expenses shall be allocated equally among all Units within the Community benefited thereby and levied as a Community Assessment. The Board shall cause a copy of such budget and notice of the amount of the Community Association Assessment to be levied on each Residential Unit in the Community for the coming year to be delivered to each Owner of a Residential Unit in the Community at least thirty days (30) prior to the beginning of the fiscal year.

In the event the Board fails for any reason to determine the budget for any year, then and until such time as a budget shall have been determined, the budget in effect for the immediately preceding year shall continue for the current year.

Assessments applicable to Owners that are members of a Community Association shall be billed to such Community Association. The Community Association shall have the initial responsibility for billing the Owners and collecting such assessments which assessments will be deemed a debt of the Community Association. If the Community Association pays the assessment applicable to an Owner, but the Owner does not promptly reimburse the Community Association, such association shall be subrogated to the Association's lien rights herein provided. At anytime subsequent to Turnover of the Master Association, a Community Association may request the Master Association to collect assessments on its behalf.

Section 7. **Assessment of Declarant.** Notwithstanding any provision of this Declaration, or the Association's Articles of Incorporation or Bylaws to the contrary, for as long as there is a Class B and C membership in the Association, the Annual Assessment on any property owned by the Declarant shall be fixed by the Board annually in an amount not less than ten (10%) percent and not more than one hundred percent

(100%) of the amount established for all other members of the Association. Provided, that the Declarant may, as its sole option, in lieu of paying any assessment imposed on any Unit owned by the Declarant, be obligated to pay the difference between the amount of assessments levied on all Units subject to assessment and the amount of actual expenditures required to operate the Association during the fiscal year. This obligation may be satisfied in the form of a cash subsidy or by "in kind" contributions of services or materials, or a combination of these. The Association is specifically authorized to enter into subsidy contracts or contracts for "in kind" contribution of services or materials or a combination of services and materials with Declarant or other entities for the payment of some portion of the Common Expenses. Upon termination of the Class B and C membership in the Association, the Annual Assessment against any Residential Unit owned by Declarant shall be ten percent (10%) of the amount hereinabove established against any class members of the Association, other than Declarant. After Class B and C membership has been terminated, Declarant shall have no liability for operating deficits of the Association. The Declarant for purposes of funding the deficit provided herein may be both or either Edgington Enterprises, Inc. or Masthead, LLC. If one entity elects to fund the deficit and not both, the entity funding the deficit shall be designated the Declarant for purposes of this Article only.

Section 8. Date of Commencement of Annual Assessments; Due Dates.

The Annual Assessments provided for herein shall commence as to each Residential Unit on the first day of the first month following:

(i) as to each Residential Unit owned by the Declarant, the date the Declarant elects to end the guaranty period for the assessments, as set forth in Section 7 above; and

(ii) as to each Residential Unit owned by a Class A member, the date of conveyance to an Owner of any portion of the Property by Declarant.

The Annual Assessments provided for herein shall be due and payable on the first day of such months as may be set by the Board. The Annual Assessment shall be adjusted according to the number of days remaining in the fiscal year at the time assessments commence on the Residential Unit.

Section 9. Duties of the Board of Directors. The Board shall prepare a roster of Owners and Community Associations and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner. The Association shall upon demand, at any reasonable time, furnish to any Owner or Community Association liable for said assessment a certificate in writing signed by an officer of the Association setting forth whether said assessment has been paid. Such certificate shall be prima facie evidence of payment of any assessment therein stated to have been paid.

Section 10. Determination of Allocation of Assessments. The number of Residential Units allowable used for the calculations of the allocation of assessments

shall be determined as of the ownership of record sixty (60) days prior to the commencement of the fiscal year of the Association and once so determined shall be controlling for the entire year.

Section 11. Effect of Non-Payment of Assessment; Personal Obligation of the Community Association and Owner; Lien; Remedies. If any assessment is not paid on the date due, then such assessment shall become delinquent and the entire assessment shall, together with interest thereon and cost of collection thereof become due and payable and become a continuing lien on the property which shall be binding on the current Owner, heirs, devisees, personal representative and assigns. The obligation of the Owner to pay such assessment shall remain a 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 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 highest rate allowed by Florida law, and the Association may bring an action at law against the Community Association or 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 any such action, and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and reasonable attorneys' fees and costs as determined by the Court.

The Association, acting on behalf of the Owners, shall have the power to bid for the Unit at foreclosure sale and to acquire and hold, lease, mortgage, and convey the same. During the period in which a Residential Unit is owned by the Association following foreclosure:

- (a) No right to vote shall be exercised on its behalf;
- (b) No assessment shall be assessed or levied on it; and

(c) Each other Residential Unit shall be charged in addition to its usual assessment, its pro rata share of the assessment that would have been charged such Unit had it not been acquired by the Association. Suit to recover a money judgment for unpaid Common Expenses and attorneys' fees and costs shall be maintainable without foreclosing or waiving the lien securing the same.

Section 12. Subordination of Lien; Mortgagees' Rights. The lien of the assessment provided for herein is subordinate to the lien of any first Mortgage given to an Institutional Lender now or hereafter placed upon a Residential Unit, 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. 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. The Association may provide such notice without receiving a request from the Institutional Lender, but is not required to do so. 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 on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy for such Common Property and Institutional Lenders making such payment shall be owed immediate reimbursement therefore from the Association.

The Association shall, upon demand at any time, furnish any Owner liability for any type of assessment a certificate in writing signed by an officer or management agent of the Association setting forth whether such assessment has been paid as to any particular Residential Unit. Such certificate shall be conclusive evidence of payment to the Association of such assessment therein stated to have been paid. The Association may require the advance payment of a processing fee not to exceed Twenty-Dollars (\$20.00) (the "Processing Fee") for the issuance of such certificate. The Processing Fee shall remain \$20.00 during the first two years after the recording of this Declaration. After such two year period, this fee may be adjusted by the Board, in its discretion.

Section 13. **Exempt Property.** The following property subject to this Declaration shall be exempt from all assessments, charges, and liens created herein (a) all Common Property, and (b) all property designated as lakes, conservation areas or which is used in the Surface Water Management System.

ARTICLE VII

COMMUNITIES

Section 1. **Community.** All Residential Units shall be located within a Community. The Residential Units within a particular Community are generally subject to additional covenants and restrictions, and/or the Owners of such Units or property shall all be members of a Community Association in addition to the Association. The docking slip/s shall also be located within a Community.

Section 2. **Services.** Each Community Association, upon the affirmative vote, written consent or a combination thereof, of a majority of Owners within the Community, may request that the Association provide a higher level of service or special services for the benefit of Units in such Community, and if agreed to by the Board, the cost of such additional services shall be assessed against the benefited Units as a Community Assessment pursuant to Article VI.

Section 3. **Community Representatives.** The three most senior elected officers of the Clermont Yacht Club Townhomes Association, Inc. shall serve as the Community Representatives for such Community and shall cast all votes attributable to Residential Units in the Community on all Association matters requiring membership vote, unless otherwise specified in this Declaration or the Bylaws. The two most senior elected officers of The Clermont Yacht Club Condominium Association, Inc. shall serve as the Community Representatives for such Community and shall cast all votes attributable to Residential Units in the Community on all Association matters requiring membership vote, unless otherwise specified in this Declaration or the Bylaws. The Community Representative may cast all such votes as he/she, in his/her discretion, deems appropriate. This five (5) person board shall constitute the Board of Directors of the Clermont Yacht Club Master Association, Inc. The docking slip/s community will not have a Community Representative on the Board of Directors of the Association, though a director on the Board of Directors may also be an owner/licensee of a docking slip/s.

Section 4. **Association Approval.** The Association shall have the right of specific approval or veto of annual budgets and all legal documents (and amendments thereof) associated with all Community Associations, including, but not limited to, Articles of Incorporation, Bylaws, Declarations of Covenants, Conditions and Restrictions, Declaration of Condominium, and Plats. No improvements shall be commenced that is to be located within the jurisdiction of a Community Association until all legal documents for the Community Association have been submitted to and approved in writing by the Association. All such documents shall be consistent and compatible with this Declaration and the Articles and Bylaws.

Section 5. **Docking Slip/s Community.** The docking slip/s community shall be comprised of all owners or licensee of the individual docking slip/s. Only Owners of Residential Units are eligible for membership in the docking slip/s association. The docking slip/s community is solely responsible for the maintenance, repair, replacement, and all other expenses relating to the docking slip/s without contribution from the Association or any other Community.

A. **Docking Slips.** As long as the Declarant holds any Residential Unit for sale in the ordinary course of business, the Declarant reserves the right to designate the Docking Slips for the exclusive use by Owners of specified Residential Units. All fees collected by Declarant for assigning Docking Slips shall be retained by Declarant and shall not constitute income or revenue of the Association. Declarant may hold the right to use such Docking Slips until such rights to use all Docking Slips are conveyed by Declarant to Owner(s) or, at the sole option of the Declarant, assigned by the Declarant to the Association.

(i) **Maintenance/Dock Slip.** The Association shall be the primary party responsible to (a) maintain, insure or provide utilities to the Docking Slip Structures, (b) bring the Docking Slip Structures into compliance with the provisions of this Declaration, the Master Declaration, or the Rules and Regulations adopted by the Association. The Owner of which a Docking Slip has been assigned shall be responsible

to maintain the Docking Slip in a clean and sanitary condition, free of all trash or debris, and shall also be responsible for any damage to person or property resulting from the negligent or intentional acts of such Owner or its guests or invitees, including damage to the Docking Slip Structures and Docking Slips.

The Owner of a Residential Unit to which a Docking Slip has been assigned and is appurtenant thereto shall share, on a pro rata basis with all other Owners of Docking Slips, the expenses incurred by the Association with respect to the Docking Slip Structure and Docking Slips. Each Owner's share of such expenses shall be collected by the Association in the same manner as provided herein for Assessments.

(ii) Transfer by Owners. Owners may from time to time convey and transfer to other Owners their rights to Docking Slips constituting limited common elements appurtenant to their Residential Units with the written consent of the Association, which consent shall not be required when the transfer is to or from the Declarant with the following limitations and in the following manner:

(A) Such a transfer or conveyance shall be evidenced by a written conveyance document executed by both the transferor and transferee which shall identify the transferor by name and as the owner of a specific Docking Slip. The conveyance document shall set forth in substance that the parties are transferring and conveying the particular Docking Slip which is a limited common element appurtenant to the Residential Unit owned by the transferor to the transferee for the purpose of having that particular Docking Slip become a limited common element appurtenant to the Residential Unit owned by the transferee. The conveyance document shall further set forth the consent of the transferor to the transaction and the transferee's agreement and undertaking that thereafter said Docking Slip shall constitute a limited common element appurtenant to the transferee's Residential Unit subject in full to the provisions of this Declaration. The conveyance document shall be executed with the formalities required for deeds in the State of Florida.

(B) The consent of the Association may be evidenced on the conveyance document, or by separate instrument, but under no circumstances shall the transfer of the Docking Slip be deemed effective until the Association's consent has been recorded among the Public Records of Lake County. Such consent may be in any form the Association chooses and shall be executed with such formalities as are required for the recording of affidavits among the Public Records of the State of Florida.

(C) Once the conveyance document has been duly executed and recorded in accordance with the foregoing provisions and the consent of the Association has been given and so recorded, the Declaration shall be deemed amended to the extent necessary to conform to that transfer and conveyance.

(D) Notwithstanding the foregoing, if the assignment of the Docking Slip has not been recorded among the Public Records, then signed copies of the conveyance document and the affidavit evidencing the Association's consent to the

transfer shall not be recorded but shall be delivered both to the transferee and to the Association and shall be effective upon completion of such delivery, and no amendment of this Declaration shall be required or deemed to have occurred as a result of such transfer or conveyance.

(E) Nothing herein shall be deemed to authorize the transfer of any Limited Common Property or other appurtenance to a Residential Unit or any part or share thereof to any person except that the Limited Common Property represented by Docking Slips may be conveyed between Residential Unit owners as herein provided. No such Docking Slip may be owned in whole or in part by any person who is not a Residential Unit Owner except the Declarant. Any transfer or conveyance of a Docking Slip by any person except the Declarant, with or without the consent of the Association, to any person who is not an Owner shall be void.

(iii) Declarant's Exclusive Right to Assign Docking Slips. Notwithstanding anything to the contrary, the Association shall not have the right to assign any of the Docking Slips during the time the Declarant or any successor Declarant owns any Residential Units. The Declarant may, by instrument in writing, relinquish its control over the assignment of Docking Slips sooner than as required herein. Such instrument shall be effective to transfer to the Association the power and authority to assign then unassigned Docking Slips as appurtenances to the various Residential Units.

(iv) Rules Governing Use. All Docking Slips are subject to Rules and Regulations adopted by the Association from time to time. However, no rule or regulation shall (i) materially adversely affect the rights of an Owner who has previously been assigned the exclusive use of the Docking Slip, or (ii) preclude or hamper the Declarant or its agents from using commercial vehicles engaged in any activity related to construction and maintenance of the Docking Slip Structures and/or Docking Slips. The Association is authorized to and shall enforce the requirements contained herein as to the usage of the Docking Slips in the same manner in which the Association is entitled to enforce other agreements, rules and regulation of this Declaration and its Exhibits.

ARTICLE VIII

ARCHITECTURAL CONTROL

Section 1. Enforcement of Architectural Standards. The Board shall have the authority and standing on behalf of the Association to enforce in courts of competent jurisdiction decisions of the committees established in Sections 2 and 3 of this Article VIII. This Article may not be amended without the Declarant's written consent so long as the Declarant owns any real property subject to this Declaration.

No construction, which term shall include within its definition, staking, clearing, excavation, grading, and other site work, no exterior alteration or modification of existing improvements, and no plantings or removal of plants, trees, or shrubs shall take place except in strict compliance with this Article and the Design Guidelines, until the

requirements of each have been fully met, and until the approval of the appropriate entities has been obtained.

All structures constructed on any portion of the Property shall be designed by and built in accordance with the plans and specifications of a licensed architect or other person found to be qualified by the ARC.

Section 2. **Architectural Review Committee**. There is hereby established an Architectural Review Committee ("ARC") which shall have exclusive jurisdiction over all construction on any portion of the Property, including the docking slip/s and whose duties, powers and responsibilities shall be as follows:

- A. The ARC shall consist of one (1) or more persons designated by the Declarant. At such time as Declarant no longer owns any real property within the Property, or the Declarant shall assign to the Association the rights, powers, duties and obligations of the ARC, whereupon the Board shall appoint three (3) or more persons as the members of the ARC. Upon the Board obtaining the right and obligation to appoint persons as members of the ARC, the ARC shall consist of members from each of the three Community Associations.
- B. The ARC shall have the right of specific approval or veto of all architectural, engineering, platting, planning and landscaping aspects of any improvement or development of individual units or buildings as well as the general plan for development of the Property. All construction and development within the Property is subject to local governmental control; however, the ARC may, in its sole discretion, impose standards of architectural and landscaping design, building setback lines or the general plan for development, which standards are greater or more stringent than standards prescribed in applicable building, zoning, planning or other local governmental codes.
- C. No building, sign, outside lighting, fence, hedge, wall, walk, dock or other structure or planting shall be constructed, erected or planted until the plans and specifications showing the nature, kind, shape, height, materials, floor plans, color scheme and the location of same shall have been submitted to and approved in writing by the ARC. Refusal of approval of plans, specifications or location may be based on any ground, including purely aesthetic considerations, which the ARC, in its sole and uncontrolled discretion, deems sufficient.
- D. As part of the application process, two (2) complete sets of plans and specifications prepared by an architect or other person found to be qualified by the ARC shall be submitted for approval by written application on such form as may be provided or required by the ARC. In the event the information submitted to the ARC is, in its opinion,

incomplete or insufficient in any manner, it may request and require the submission of additional or supplemental information.

- E. 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, provided such approval is not unreasonably withheld. In approving or disapproving such plans and applications, the ARC shall consider the suitability of the proposed improvements, 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.
- F. Unless specifically excepted by ARC, all improvements for which approval of 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. In the event ARC shall fail to specifically approve or disapprove the plans and specifications submitted in final and complete form, within thirty (30) days after written request for final approval or disapproval such plan and specification shall be deemed approved.
- H. There is specifically reserved unto ARC, the right of entry and inspection upon any Property for the purpose of determination by the ARC whether there exists any construction of any improvement which violates the terms of any approval by ARC or the terms of this Declaration or of any other covenants, conditions and restrictions to which its deed or other instrument of conveyance that 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 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 ARC.
- I. ARC may delegate any portion or all of its powers reserved hereunder to a Community Association that enacts and enforces architectural control standards as stringent as set forth herein. Such delegation may thereafter be cancelled at any time for any reason.

- J. A majority of the ARC may take any action of the committee and may designate a representative to act for it. In the event of death, disability or resignation of any member of the ARC, the remaining members shall designate a successor.
- K. The ARC may adopt such further rules and regulations as it deems necessary to carry out its functions and purposed hereunder, provided all such rules and regulations shall be filed with and made a part of this Association's minutes.
- L. In each instance where a structure has been erected, or the construction thereon is substantially advanced, in such manner that the same violates the restrictions contained in this Declaration or any other covenants which the ARC has the power to enforce, or in such manner that the same encroaches on any easement area or setback line, the ARC reserves the right to release the property from the restriction which it violated and to grant an exception to permit the encroachment by the structure over the setback line or on the easement are, so long as the ARC, in the exercise of its sole discretion determines that the release or exception will not materially and adversely affect the health, safety and appearance of the Property.
- M. The ARC may require that any portion of the Property and any improvements thereon be pre-wired for cable television and internet service, and/or security in such a manner as the ARC shall specify.
- N. The ARC has the right, but not the obligation, to grant waivers for minor deviations and infractions of this Declaration. The granting of any waiver for any portion of the Property may be given or withheld in the ARC's sole discretion and a prior grant of a similar waiver shall not impose upon the ARC the duty to grant new or additional requests for such waivers.
- O. The Association, Declarant, ARC or any officer, employee, director or member thereof shall not be liable for damages to an Owner submitting plans and specifications for approval by reason of mistake, in judgment, negligence or non-feasance arising out of or in connection with the approval, disapproval or failure to approve any plans and specifications. Every person who submits plans and specifications for approval agrees, by submission of such plans and specifications, that it will not bring any action or suit against the Association, Declarant or ARC to recover such damages.

Section 3. **Modifications.** The ARC shall also have exclusive jurisdiction over modifications, additions or alterations made on or to existing Units or structures containing Units and the open space, if any, appurtenant thereto; provided, however, that ARC may delegate this authority to the appropriate board of committee of

any Community Association subsequently created or subsequently subjected to this Declaration so long as the ARC has determined that such board or committee has in force review and enforcement practices, procedures, and appropriate standards at least equal to those of the ARC. Such delegation may be revoked at any time and for any reasons, and jurisdiction re-assumed at any time by written notice.

The ARC shall promulgate standards and procedures governing modifications to existing Units or structures consistent with local government standards and codes. In addition thereto, the following shall apply: plans and specifications showing the nature, kind, shape, color, size, materials and location of such modifications, additions or alterations, shall be submitted to the ARC for approval as to quality of workmanship and design as to harmony of external design with existing structures, location in relation to surrounding structures, topography, and finish grade elevation. Nothing contained herein shall be construed to limit the right of any Owner to remodel the interior of a Unit or to paint the interior of his Unit any color desired. In the event that the ARC fails to approve or to disapprove such plans or to request additional information reasonably required within thirty (30) days after submission, the plans shall be deemed approved.

ARTICLE IX

ENFORCEMENT OF RULES AND REGULATIONS

Section 1. **Compliance by Owners; Initial Rules and Regulations.** Every Owner shall comply with the restrictions and covenants set forth herein and any and all rules and regulations adopted by the Board. The following are the Rules and Regulations of the Association which may be amended, modified, or added to from time to time as provided in the Bylaws.

- A. **General Rules and Regulations.** The general rules and regulations contained in this Article shall apply uniformly to all Units on the Property. Every Owner shall comply with the rules and regulations set forth herein and any and all rules and regulations adopted by the Board.
- B. **Residential Use Only.** No Unit shall be used for any purpose except residential. The term "residential" is intended to prohibit any commercial use, including professional office use, in any Unit, except that the foregoing shall not prohibit any Owner from using any Unit as a home office if such use is imperceptible from the outside of the Unit and no vehicular traffic of any sort is created by the use of said home office. Such permission shall not be construed as an opinion as to the permissibility under local government law. No building shall be erected, altered, placed or permitted to remain on any portion of the Property other than Units designated for residential use and private garages. The foregoing shall not prohibit the Declarant or a builder authorized by Declarant from using the Units as models or sales offices.

- C. **Design Guidelines.** All Owners shall comply with the Design Guidelines, if any, as amended from time to time.
- D. **No Temporary Structure.** No structure of a temporary nature or character, including, but not limited to, a tractor trailer, utility trailers, house trailer, mobile home, camper, tent, shack, shed, boat, barn, above ground pool, or other similar structure or vehicle, shall be used or permitted to remain on the Property as a storage facility or residence or other living quarters, whether temporary or permanent, unless approved by the Board for use during construction only. However, this prohibition shall not apply to shelters used by the contractor or Declarant during construction and/or sale of any Unit.
- E. **Parking and Storage Restrictions.** No automobile or truck, motorcycle, house trailer, mobile home, camper, boat, boat trailer, water craft or other similar vehicle shall be parked for any period of time in excess of forty-eighty (48) hours in any one (1) week period or stored or otherwise permitted to remain on the Property except in a closed garage attached to a Unit. Further, the parking or storage of all recreational vehicles, house trailers, mobile homes, campers, boats, boat trailers, watercraft, trail craft or other similar vehicles shall comply in all respects with the laws of the City of Clermont, and County of Lake, Florida, as may be amended from time to time. Furthermore, no vehicle which contains lettering or commercial activity, or truck or other commercial vehicles shall be parked for any period of time in excess of four (4) consecutive hours or stored otherwise permitted to remain on the Property except in an enclosed garage with the garage door closed.
- F. **Livestock and Animal Restrictions.** No livestock, poultry or animals of any kind or size shall be raised, bred or kept on the Property or in a Unit, provided, however, that dogs, cats, or other common domesticated household pets may be raised and kept provided such pets are not kept, bred, or maintained for any commercial purposes. Domesticated household pets are limited to three (3) pets per Unit. Such permitted pets shall be kept on Owner's property and shall not be allowed of the Owner's property except on a leash. (For these purposes, property does not include common area). Pet Owners are responsible for cleaning up after their pets when pets defecate. Failure to clean up after a pet may subject Owner to fines. The Association shall have the right to revoke the Owner's right to have a pet on the Property in the event of repeated violations of this provision. No permitted pet shall be allowed to make noise in such a manner or such volume as to annoy or disturb other Owners. Nothing herein shall relieve any Owner from compliance with local governmental regulations regarding animals.

- G. **Restriction on Activity.** No illegal, obnoxious or offensive activity shall be conducted or permitted to exist upon the Property, nor shall anything be done or permitted to exist in any Unit that may be or may become an annoyance or private or public nuisance. No portion of the Property shall be used for the purpose of vehicle repair or maintenance. In the event of any questions as to what may be or become a nuisance, such questions shall be submitted to the Association for a decision in writing and its decision shall be final.
- H. **Restriction on Walls, Fences, Columns.** No wall, fence or columns shall be erected other than the Master Plan.
- I. **Garage and Garage Doors.** In order to maintain a harmonious and aesthetic appearance, the garage doors affixed to each Unit shall remain closed except when in actual use to allow ingress and egress. Additionally, garage doors may be open during periods when the garage is being utilized because of yard work or related usage. At all other times, garage doors are required to be closed. No garage doors made of fiberglass construction shall be permitted. All garages must remain limited to automobile storage or boat storage and may not be converted to or be used at any time as additional residential or office space.
- J. **Drainage.** No Owner shall in any way interfere with the established drainage pattern over the Property. provided, however, each Owner will make adequate provisions for proper drainage over his Lot. For the purposes hereof, "established drainage" is defined as the drainage which occurred at the time the finish grading of the Lot was completed by Declarant. Each Lot Owner shall permit free access by Owners of adjacent or adjoining Lots to slopes or drainage ways located on his Lot which such access is necessary by the maintenance or permanent stabilization on the slopes or of the drainage facilities to protect property other than the Lot on which the slope or drainage way is located.
- K. **Signs.** No commercial signs, or other signs shall be erected or maintained on the Property or in a Unit except as follows:
1. All signs for real estate sales, resales, construction, etc. shall not be allowed.
 2. With the exception of special one-time sign usage such as birthday, anniversary, etc. which may be displayed for no longer than seventy two (72) hours, any other sign that users desire to display must be approved in advance by the ARC.
 3. If permission is granted for any other signage, other than the approved signs for Clermont Yacht Club Community, the

Association shall have the right to restrict size, color or content of said signs.

4. These restrictions shall not restrict the Declarant or its agents from erecting such signs as the Declarant in its sole discretion deems to be necessary to assist the Declarant or builder authorized by the Declarant in selling any Unit.
- L. **Allowable Trim.** No Owner or tenant of an Owner shall install shutters, awnings, or other decorative exterior trim.
- M. **Window Coverings.** No reflective foils or other material shall be permitted on any window except for tinted glass.
- N. **Aerial Restrictions.** No tower or transmitting or receiving aerial, or any aerials or antennas whatsoever, shall be placed or maintained upon the Property, any building or structure thereon. The installation of a satellite receiving dish in excess of eighteen (18) inches across is not permitted.
- O. **Screen Enclosures.** Screened enclosures are prohibited except enclosures of roofed porches.
- P. **Clothes Drying Area.** No clothes hanging or clothes drying apparatus shall be constructed on any portion of any of the Property.
- Q. **Air Conditioning.** No window air conditioning units or permanently mounted wall air conditioning units shall be permitted. No exceptions shall be permitted.
- R. **Lighting.** No exterior lighting fixtures shall be installed on the exterior of any Unit.
- S. **Trash and Garbage.** No lumber, metals, bulk materials, refuse or trash shall be kept, stored or allowed to accumulate on the Property except building materials during the course of construction of any approved structure. If trash or other refuse is to be disposed of by being picked up and carried away on a regular and recurring basis, containers may be placed in the open on any day that a pick-up is to be made at such place as will be accessible to people making such pick-up. At all other times, such containers shall be stored so that they cannot be seen from surrounding property. The ARC, in its discretion, may adopt and promulgate reasonable rules and regulations relating to the size, shape, color and type of containers permitted and the manner of storage of the same.
- T. **Further Restrictions.** These restrictions are intended to be minimum restrictions, applying to the Property, as supplemented from time to time.

The Declarant or the Association will have the right to subject Property to further restrictions and covenants.

Section 2. **Non-Waiver.** No delay in enforcing these covenants or rules and regulations as to any breach or violation thereof shall impair, damage, or waive the right of the Association to enforce the same, to obtain relief against or recover for continuation or repetition of such breach or violation or of any similar breach or violation thereof at a later time or times.

Section 3. **Enforcement.** Failure of the Owner to comply with such restrictions, covenants, or rules and regulations shall be grounds for action which may include, without limitation, an action to recover sums due for damages, injunctive relief, or any combination thereof, including costs and attorneys' fees incurred in bringing such actions, and if necessary, costs and attorneys' fees for appellate review. The Association shall have the right to suspend voting rights and use of Common Areas for any Owner violating these covenants and restrictions or rules and regulations for a period of time which is the longer of sixty (60) days or the term of continued violation. Both the Association and the Community Association (where violation has occurred with respect to a within the jurisdiction of such Community Association) shall have the right to enforce the provisions of this Declaration through self help procedures appropriate to the violation.

Section 4. **Fines.** In addition to all other remedies, 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 or promulgated pursuant to these Declarations provided the following procedures are adhered to:

- A. **Notice.** The Association shall notify the Owner of the infraction or infractions and allow the Owner a reasonable time to correct the infraction. If the infraction is not corrected on or before the time provided by the Association, the Association shall notify the Owner of the infraction or infractions, the proposed fine(s) and the proposed date on which such fine(s) shall become final, which date shall not be earlier than fourteen days. Included in the notice shall be date and time of the next Fine Committee Meeting more than fourteen days from said notice.
- B. **Hearing.** The Owner may petition the Fine Committee in writing to appear at the next scheduled Board meeting at which time the Owner shall present reasons why the fine(s) should not be imposed. A written decision of the Fine Committee shall be submitted to the Owner not later than twenty-one (21) days after the Fine Committee's meeting. Failure of the Owner to contest any proposed fine(s) in accordance with these procedures shall constitute a waiver of his rights to further contest such proposed fine(s).

C. **Fines.** The Fine Committee may impose fines against any Residential Unit as follows:

(a) First noncompliance or violation: a fine not in excess of One Hundred Dollars (\$100.00).

(b) Second noncompliance or violation: a fine not in excess of One Hundred Dollars (\$100.00).

(c) Third and subsequent noncompliance, or violation or violations that are of a continuing nature: a fine not in excess of One Thousand Dollars (\$1,000.00) for each week of continued violation or non-compliance.

D. **Payment of Fines.** Fines shall be paid not later than thirty (30) days after notice of the imposition or assessment of the fines.

E. **Collection of Fines.** Fines shall be treated as a Special Assessment otherwise due to the Association, and as such will be a lien against the Owner's Unit.

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

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 or the Community Association may be otherwise legally entitled; however, any fine paid by the offending Owner shall be deducted from or offset against any damages that the Association or Community Association may otherwise be entitled to recover by law from such owner.

ARTICLE X

TURNOVER

Section 1. **Time of Turnover.** The Turnover of the Association by the Declarant shall occur at the Turnover meeting described in Section 2 below which meeting shall take place within three (3) months of the occurrence of the following events, whichever occurs earliest:

(a) January 31, 2010.

(b) Upon voluntary conversion to Class A membership by the Declarant.

(c) When 90% of the maximum number of Units as set forth in the PUD Ordinance, as amended have been conveyed to Members of the Association other than to the Declarant, builders, contractors or others who purchase a Unit for the purpose of constructing improvements thereon for resale.

Section 2. **Procedure of Calling Turnover Meeting.** The purpose of the Turnover meeting shall be to elect directors to the Association. No more than sixty (60) days and no less than thirty (30) days prior to the Turnover meeting, the Association shall notify in writing all Class A and Class B members of the date, location, and purpose of the Turnover meeting.

Section 3. **Procedure for Meeting.** The Turnover meeting shall be conducted in accordance with the most recent revision of Robert's Rules of Order.

Section 4. **Declarant's Rights.** For as long as the Declarant shall own at least five percent (5%) of the Units or at least five percent (5%) of the Property, it shall have the right to appoint one (1) member of the Board, and the limitations described by Article XI, shall remain applicable.

Section 5. **Turnover Documents.** Within ninety (90) days of Turnover the Declarant shall deliver to the new Board, the items set forth in Section 720.307(3), Florida Statutes (2005), as amended.

ARTICLE XI

DECLARANT'S RIGHTS

Notwithstanding any provisions contained in the Declaration to the contrary, so long as construction and initial sale of Units shall continue within Clermont Yacht Club Community, Declarant shall have the following rights described in this Article, and the following restrictions described in this Article shall remain in effect:

(a) Declarant may maintain and carry on upon portions of the Common Property such facilities and activities as, in the sole opinion of Declarant, may be reasonably required, convenient, or incidental to the construction or sale of such Units, including, but not limited to, signs, model units, and sales offices, and the Declarant shall have an easement for access to such facilities. The right to maintain and carry on such facilities and activities shall include specifically the right to use Units owned by the Declarant and any clubhouse which may be owned by the Association, as models, sales offices, and for lodging and entertainment, respectively, of sales prospects and other business invitees.

(b) no person or entity shall record any declaration of covenants, conditions and restrictions, or declaration of condominium or similar instrument affecting any portion of the Properties without Declarant's review and written consent thereto, and any attempted recordation without compliance herewith shall result in such declaration or

similar instrument being void and of no force and effect unless subsequently approved by recorded consent signed by the Declarant.

(c) the Board or the Association shall have no authority to, and shall not, undertake any action which shall:

(i) decrease the level of maintenance services of the Association performed by the initial Board as specified in the Articles of Incorporation of the Association;

(ii) make any Special or Community Association Assessment against or impose any fine upon the Declarant's property within Clermont Yacht Club Community or upon the Declarant prior to Turnover;

(iii) change the membership of the ARC or diminish its powers as stated herein;

(iv) alter or amend any Declaration, any subsequent amendment thereto, the Articles or By-laws of the Association;

(v) modify, amend or alter the Master Plan;

(vi) terminate or cancel any contracts of the Association entered into while the initial Board was in office except that the Association may terminate any contract or lease, including any contract providing for the services of Declarant entered into by the Association while Declarant controls the Association, without cause or without penalty or the payment of a termination fee at any time after Turnover of the Association from Declarant upon not more than ninety (90) days notice to the other party, an provided further, any agreement for professional management of the Association or any agreement providing for services of the Declarant shall be a term not to exceed one (1) year without the consent of fifty-one percent (51%) of each class of Members; provided, however, that in no event shall such an agreement exceed a term of three (3) years. Any such agreement shall provide that the agreement may be terminated by either party without cause or without payment of a termination fee upon not more than ninety (90) days written notice.

(vii) terminate or waive any rights of the Association under this Declaration;

(vii) convey, lease, mortgage, alienate or pledge any easements or Common Property of the Association;

(ix) accept the conveyance, lease, mortgage, alienation or pledge of any real or personal property to the Association;

(x) terminate or cancel any easements granted hereunder or by the Association;

(xi) terminate or impair in any fashion any easements, powers or rights of the Declarant hereunder;

(xii) restrict the Declarants' rights of use, access and enjoyment of any of the Properties, or

(xiii) cause the Association to default on any obligation of it under any contract or this Declaration, unless the Declarant consents in writing to the prohibited action. The Declarant's consent shall be exercised by its appointee on the Board or other person designated to so act by the Declarant.

Any or all of the special rights and obligations of the Declarant may be transferred to other persons or entities, provided that the transfer shall not reduce an obligation nor enlarge a right of the Declarant beyond that contained herein, and provided further, no such transfer shall be effective unless it is in a written instrument signed by the Declarant and duly recorded in the Public Records of Lake County, Florida.

This Article may not be amended without the express written consent of the Declarant; provided, however, the rights contained in this Article shall terminate upon the earlier of (a) April 31, 2010, or (b) the recording by Declarant of a written statement that all sales activity in Clermont Yacht Club Community has ceased.

ARTICLE XII

MORTGAGEE PROTECTION

The following provisions are added hereto (and to the extent these added provisions conflict with any other provisions of the Declaration, these added provisions shall control):

Section 1. The Association shall be required to make available to all Owners and Mortgagees, and to insurers and guarantors of any first Mortgage, for inspection, upon request, during normal business hours or under reasonable circumstances, current copies of this Declaration (with all amendments) and the Articles, By-Laws and rules and regulations and the books and records of the Association. Furthermore, such persons shall be entitled, upon written request, to (i) receive a copy of the Association's financial statement for the immediately preceding fiscal year, (ii) receive notices of and attend the Association meetings, (iii) receive notice from the Association of an alleged default by an Owner in the performance of such Owner's obligations under this Declaration, the Articles of Incorporation or the By-Laws of the Association, which default is not cured within thirty (30) days after the Association learns of such default, and (iv) receive notice of any substantial damages or loss to the Common Areas.

Section 2. Any holder, insurer or guarantor of a Mortgage on a Unit shall have, if first requested in writing, the right to timely written notice of (I) any condemnation or casualty loss affecting a material portion of the Common Areas, (ii) a sixty (60) day delinquency in the payment of the Assessments on a mortgaged Lot, (iii) the occurrence of a lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association, and (iv) any proposed action which requires the consent of a specified number of Mortgage holders.

Section 3. Unless at least 66-2/3% of first Mortgagees (based upon one vote for each Mortgage owned), and the Members holding at least two-thirds (2/3rds) of the votes entitled to be cast by them, have given their prior written approval, neither the Association nor the Owners shall:

(a) By act or omission seek to sell or transfer the Common Areas and any improvements thereon which are owned by the Association (the granting of easements for utilities or for other such purposes consistent with the intended use of such property by the Association or the Declarant or the transfer of the Common Areas to another similar association of the Owners in accordance with the Articles of Incorporation of the Association or dedication of such property to the public shall not be deemed a transfer within the meaning of this clause);

(b) change the basic methods of determining the obligations, assessments, dues or other charges which may be levied against a Lot, except as provided herein with respect to future Lots;

(c) by act or omission, waive or abandon any scheme of regulations, or enforcement thereof, pertaining to the exterior appearance of the Property;

(d) fail to maintain fire and extended insurance on insurable portions of the Common Areas as provided herein; or

(e) use hazard insurance proceeds for losses to any Common Areas for other than the repair, replacement or reconstruction of the improvements.

Section 4. Any Mortgagee who received a written request from the Association to respond to or consent to any action shall be deemed to have approved such action if the Association does not receive a written response from the Mortgagee within thirty (30) days of the date of the Association's request.

ARTICLE XIII

INSURANCE AND CASUALTY LOSSES

Section 1. **Risk of Loss.** The Association shall keep (i) buildings in the Common Area insured against loss by fire and the risks covered by a Standard All Risk

of Loss Perils Insurance Policy under an extended coverage casualty policy in the amount of the maximum insurable replacement value thereof, and (ii) all personal property owned by the Association insured with coverage in the maximum insurable fair market value of such personal property as determined annually by an insurance carrier selected by the Association. The Association shall be the owner and beneficiary of the insurance policy which shall insure risk of loss of the Association and its Members or Owners. In the event of any loss, damage or destruction in the Common Area, the Association shall cause the improvements or property so lost, damage, or destroyed to be replaced, repaired or rebuilt as the case may be. In the event the cost of such replacement, repairs or rebuilding of improvements on the Common Area (i) exceeds the insurance proceeds available therefore, or (ii) no insurance proceeds are available therefore, the deficiency or full cost thereof, as the case may be shall be assessed to the Owners.

Section 2. **Public Liability.** The Association shall procure and keep in force public liability insurance in the name of the Association and the Owners against any liability for personal injury or property damage resulting from any occurrence in or about the Common Area, in an amount not less than One Million Dollars (\$1,000,000.00) for damage to property in one (1) accident or event.

Section 3. **Officer and Director Liability.** The Association shall have the power, but not the duty, to procure and keep in force officer and director liability insurance for the protection of the members of the Board and officers of the Association.

Section 4. **Proof of Insurance.** Copies of all such insurance policies (or certificates thereof showing the premium thereon to have been paid) shall be retained by the Association and open for inspection by Owners at any reasonable time. All such insurance policies shall (i) provide that they shall not be cancelled by the insurer without first giving at least thirty (30) days prior notice in writing to the Association, (ii) contain a waiver of subrogation by the insurer(s) against the Association, Board of Directors and Owners, and (iii) contain standard mortgagee clauses.

ARTICLE XIV

GENERAL PROVISIONS

Section 1. **Severability.** Invalidation of any one of the covenants or restrictions of this Declaration by judgment or court order shall in no way affect the full force and effect of any other provision of this Declaration.

Section 2. **Amendment.** The covenants and restrictions of this Declaration shall run with and bind the land for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended by a seventy-five percent (75%) vote of the Members of the Association, including one-half (½) of the total votes held by each of the townhome and condominium communities. Any such amendment must be recorded in the Public Records of Lake County, Florida. Any

amendment to this Declaration which alters the Surface Water or Storm Water Management System, beyond the maintenance in its original condition, including the water management portions of the Common Areas, must have the prior approval of the St. Johns River Water Management District and the City of Clermont.

Section 3. **Right of Association to Merge.** The Association shall have the right to merge with any other homeowner's association. This right shall be exercised by recordation of an amendment to this Declaration among the Public Records of Lake County, Florida, which amendment shall further have attached to it a resolution of this Association and the homeowner's association with which a merger is to take place, and such resolution shall be certified by the corporate secretary thereof and shall state:

- A. That a meeting of the homeowner's association and the Association was held in accordance with their respective Bylaws; and
- B. That a two-thirds (2/3) vote of all classes of members of the homeowner's association and Association approved the merger.

The foregoing certificates, when attached to the Amendment, shall be deemed sufficient to establish that the appropriate procedure was followed in connection with the merger.

Section 4. **Enforcement.** Notwithstanding anything herein to the contrary, the Declaration, the Association or any Owner shall have the right to enforce, by any proceeding at law or in equity, all restriction, conditions, covenants, reservations, liens, and charges now or hereafter existing. Any such party who or which brings and substantially prevails, in an action under this Section against a party found to be in violation of any of the restrictions, conditions, covenants, reservations, liens and charges imposed by this Declaration (hereinafter referred to as the "Party Seeking Enforcement") shall be entitled to and shall recover an award of attorneys' fees and costs incurred in connection with such action both at the trial and appellate court levels. Said award of attorneys' fees and costs shall reimburse the Party Seeking Enforcement for the attorneys' fees and costs actually incurred by the Party Seeking enforcement in the prosecution of an action brought under this Section. Such an award of attorneys' fees and costs, plus any interest due pursuant to said award, shall be a charge on the land and shall be a continuing lien upon the Unit(s) of the conditions, covenants, reservations, liens and charges imposed by this Declaration, until such award is paid in full to the Party Seeking Enforcement. Failure by any of the aforesaid to enforce any restriction, condition, covenant, reservation, lien or charge herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 5. **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 a Member or Owner on the records of the Association.

Section 6. **Headings.** The headings contained in this Declaration are for convenience only and shall have no significance in the interpretation of the body of this Declaration and shall be disregarded in construing the provisions of this Declaration.

Section 7. **Declarant's Right to Assign.** The Declarant reserves the right to assign the rights, powers, duties and obligations of the Declarant under this Declaration. Each assignee shall accept such assignment in writing and shall, from and after the date of such assignment, have the same rights and power of the Declarant under this Declaration and thereupon shall be liable for the performance of all of the duties and obligations of the Declarant under this Declaration. From and after such assignment, the Declarant shall be released from all duties, obligations and liabilities imposed upon or assumed by it under this Declaration.

Section 8. **Gender.** The use herein of the singular number includes the plural number and the use herein of any gender includes all genders. The use herein of the word "person" and "persons" include individuals, firms, associations, joint ventures, partnership, estates, trusts, business trusts, syndicates, fiduciaries, corporations, and all other groups or combinations.

Section 9. **Governing Law.** This Declaration shall be governed by and interpreted in accordance with the laws of the State of Florida.

Section 10. **Joint Venture/Partnership.** Nothing herein shall be deemed to create or constitute a partnership or joint venture between the Association and the Declarant or between the Association and the Owner/s Lot or between the Declarant and the Owner or Owners of a Lot.

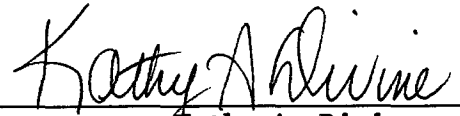
IN WITNESS WHEREOF, the undersigned has hereunto set its hand and seal the day and year first above written.

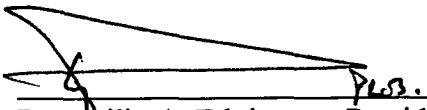
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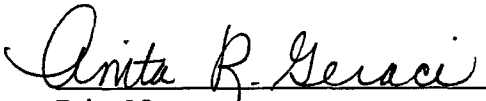
IN WITNESS WHEREOF, the undersigned has hereunto set its hand and seal the day and year first above written.

WITNESSES:

EDGINGTON ENTERPRISES, INC.,
a Florida corporation,

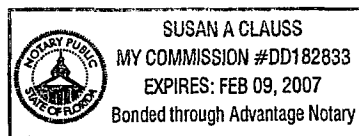

Print Name: Kathy A. Divine

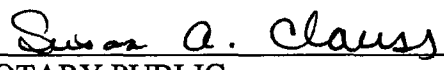

By: Philip A. Edgington, President


Print Name: Anita R. Geraci

STATE OF FLORIDA
COUNTY OF LAKE

The foregoing instrument was acknowledged before me this 18th day of May, 2006, by PHILIP A. EDGINGTON, as President of EDGINGTON ENTERPRISES, INC., a Florida corporation, who is personally known to me or who produced - as identification.




NOTARY PUBLIC

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WITNESSES:

CLERMONT YACHT CLUB
HOMEOWNER'S ASSOCIATION, INC.
a Florida corporation,

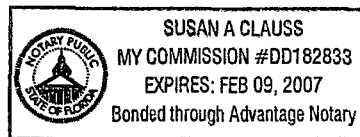
Kathy A. Divine
Print Name: Kathy A. Divine

Philip A. Edgington V.P.
By: Philip A. Edgington, Vice-President

Anita R. Geraci
Print Name: Anita R. Geraci

STATE OF FLORIDA
COUNTY OF LAKE

The foregoing instrument was acknowledged before me this 18th day of May, 2006, by PHILIP A. EDGINGTON, as President of CLERMONT YACHT CLUB HOMEOWNER'S, INC., a Florida corporation, who is personally known to me or who produced _____ as identification.

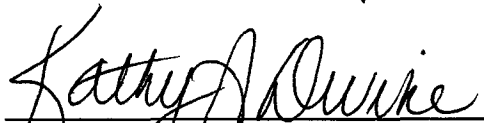


Susan A. Clauss
NOTARY PUBLIC

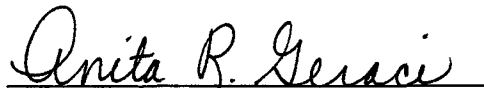
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WITNESSES:

MASTHEAD, LLC,
a Florida limited liability company,

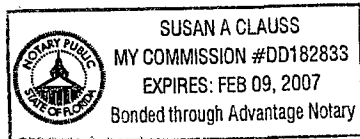

Print Name: Kathy A. Divine

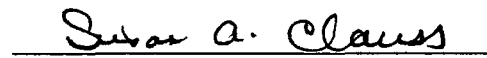

By: Andrea Edgington
As Its Managing Member


Print Name: Anita R. Geraci

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me this 18th day of May, 2006, by Andrea Edgington, as Managing Member of MASTHEAD, LLC, a Florida limited liability company, who is personally known to me or who produced _____ as identification.




NOTARY PUBLIC

(Intentionally left blank)

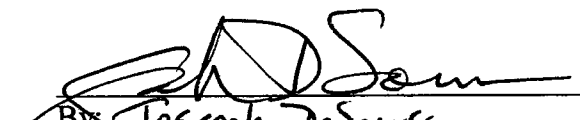
Prepared by and Return to:
Anita R. Geraci, Esq.
GrayRobinson, P. A.
1635 E. Highway 50, Suite 300
Clermont, Florida 34711

CONSENT AND JOINDER OF MORTGAGEE
TO MASTER DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS OF CLERMONT YACHT CLUB

First Commercial Bank of Florida, (the "Mortgagee") is the holder of that certain Mortgage and Security Agreement dated July 26, 2005, recorded in Official Records Book 2904, Page 50; together with that Collateral Assignment of Purchase Agreements, Leases, Rents, Deposits, Construction Contracts, Plans, and other Development Rights recorded in Official Records Book 2904, Page 61, and that UCC-1 Financing Statement recorded in Official Records Book 2904, Page 69, all of the Public Records of Lake County, Florida (the "Mortgage"). Mortgagee hereby joins in and consents to the recording and encumbrance of the Master Declaration of Covenants, Conditions and Restrictions of Clermont Yacht Club ("Declarations") by the owner thereof, and agrees that its mortgage, lien, or other encumbrance, which is referenced above, shall be subordinated to the recording of the Declarations .

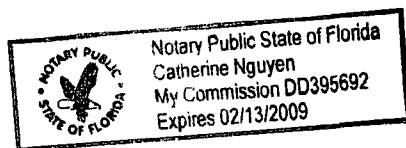
IN WITNESS WHEREOF, the Mortgagee has executed this Consent and Joinder this 26 day of June, 2006.

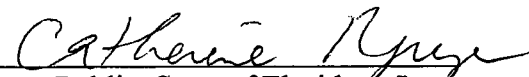
First Commercial Bank of Florida


By: Joseph DeSousa
Its: Vice President

STATE OF FLORIDA
COUNTY OF Seminole

The foregoing instrument was acknowledged before me this 26 day of June, 2006, by Joseph DeSousa as Vice Pres. of First Commercial Bank of Florida, who is personally known to me or who produced _____ as identification, and who did not take an oath.




Notary Public, State of Florida at Large
My Commission Expires:

21823 v2

Prepared by and Return to:
Anita R. Geraci, Esq.
GrayRobinson, P. A.
1635 E. Highway 50, Suite 300
Clermont, Florida 34711

CONSENT AND JOINDER OF MORTGAGEE
TO MASTER DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS OF CLERMONT YACHT CLUB

Colonial Bank, N.A., (the "Mortgagee") is the holder of that certain Mortgage and Security Agreement dated September 8, 2005, recorded in Official Records Book 2949, Page 632; together with that Assignment of Leases, Rentals and Profits recorded in Official Records Book 2949, Page 641, and that Collateral Assignment of Development Rights, Contracts, Permits and Licenses and Utility Rights recorded in Official Records Book 2949, Page 648, and that UCC-1 Financing Statement recorded in Official Records Book 2949, Page 652, all of the Public Records of Lake County, Florida (the "Mortgage"). Mortgagee hereby joins in and consents to the recording and encumbrance of the Master Declaration of Covenants, Conditions and Restrictions of Clermont Yacht Club ("Declarations") by the owner thereof, and agrees that its mortgage, lien, or other encumbrance, which is referenced above, shall be subordinated to the recording of the Declarations .

IN WITNESS WHEREOF, the Mortgagee has executed this Consent and Joinder this 18th day of may, 2006.

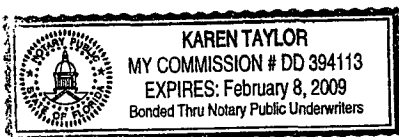
Colonial Bank, N.A., a national banking
association

Brian R. Hofer
Brian R. Hofer

Its: Vice President

STATE OF FLORIDA
COUNTY OF Lake

The foregoing instrument was acknowledged before me this 19th day of may, 2006, by Brian R. Hofer, as Vice President of Colonial Bank, N.A., a national banking association, who is personally known to me or who produced _____ as identification, and who did not take an oath.



21823 v2

Karen Taylor
Notary Public, State of Florida at Large
My Commission Expires:

Prepared by and Return to:
Anita R. Geraci, Esq.
GrayRobinson, P. A.
1635 E. Highway 50, Suite 300
Clermont, Florida 34711

CONSENT AND JOINDER OF MORTGAGEE
TO MASTER DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS OF CLERMONT YACHT CLUB

Public Bank, (the "Mortgagee") is the holder of that certain Real Estate Mortgage and Security Agreement dated April 15, 2005, and recorded April 21, 2005, in O.R. Book 2814, Page 1557, as Modified in O.R. Book 2964, Page 2000 and that Assignment of Leases, Rentals and Profits recorded in O.R. Book 2814, Page 1566, and that Collateral Assignment of Development Rights, Contracts, Permits and Licenses and Utility Rights recorded in O.R.. Book 2814, Page 1573, and that UCC-1 Financing Statement recorded in O.R. Book 2964, Page 2007, Mortgage dated August 11, 2004, and recorded August 12, 2004 in O.R. Book 2635, Page 2241, and as modified in O.R. Book 2825, Page 567, as amended by the Spreader Agreement recorded in O.R. Book 3149, Page 1116, and that Collateral Assignment of Development Rights, Contracts, Permits and Licenses and Utility Rights recorded in O.R. Book 2825, Page 576, and that Assignment of Leases, Rentals and Profits O.R. Book 2825, Page 580, and that UCC-1 Financing Statement recorded in O.R. Book 2825, Page 587, Mortgage dated October 25, 2004, and recorded October 25, 2004, in O.R. Book 2638, Page 1859, and as modified in O.R. Book 2852, Page 2339, and that Assignment of Leases, Rentals and Profits O.R. Book 2852, Page 2348, and that Collateral Assignment of Development Rights, Contracts, Permits and Licenses and Utility Rights O.R. Book 2852, Page 2355, and the Mortgage dated December 3, 2004, and recorded December 3, 2004, in O.R. Book 2709, Page 2074, and as modified in O.R. Book 2876, Page 1692, and that Collateral Assignment of Development Rights, Contracts, Permits and Licenses and Utility Rights O.R. Book 2876, Page 1701, all of the Public Records of Lake County, Florida (the "Mortgage"). Mortgagee hereby joins in and consents to the recording and encumbrance of the Master Declaration of Covenants, Conditions and Restrictions of Clermont Yacht Club ("Declarations") by the owner thereof, and agrees that its mortgage, lien, or other encumbrance, which is referenced above, shall be subordinated to the recording of the Declarations .

IN WITNESS WHEREOF, the Mortgagee has executed this Consent and Joinder this 25th day of _____, 2006.

Public Bank, a Florida banking corporation
[Signature]
By: Edward L. Augustine
Its: Senior Vice President

STATE OF FLORIDA
COUNTY OF Lake

The foregoing instrument was acknowledged before me this 25th day of May, 2006, by Edward L. Augustine, as Senior Vice President of Public Bank, a Florida banking corporation, who is personally known to me or ~~who produced~~ as identification, and who did not take an oath.

[Signature]
Notary Public, State of Florida at Large
My Commission Expires:

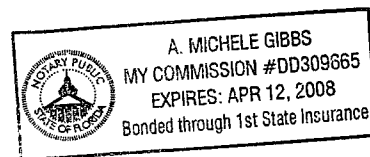
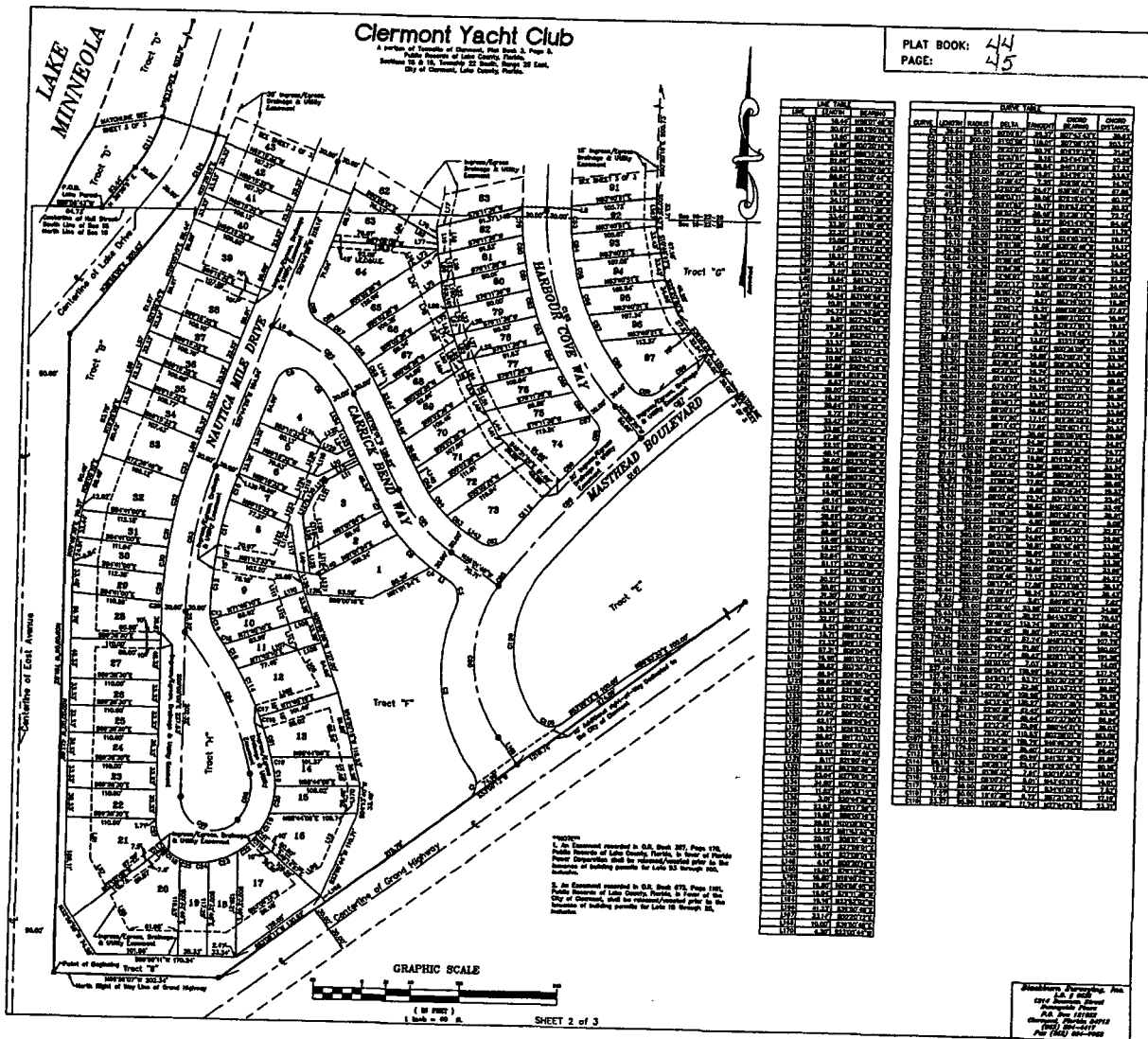


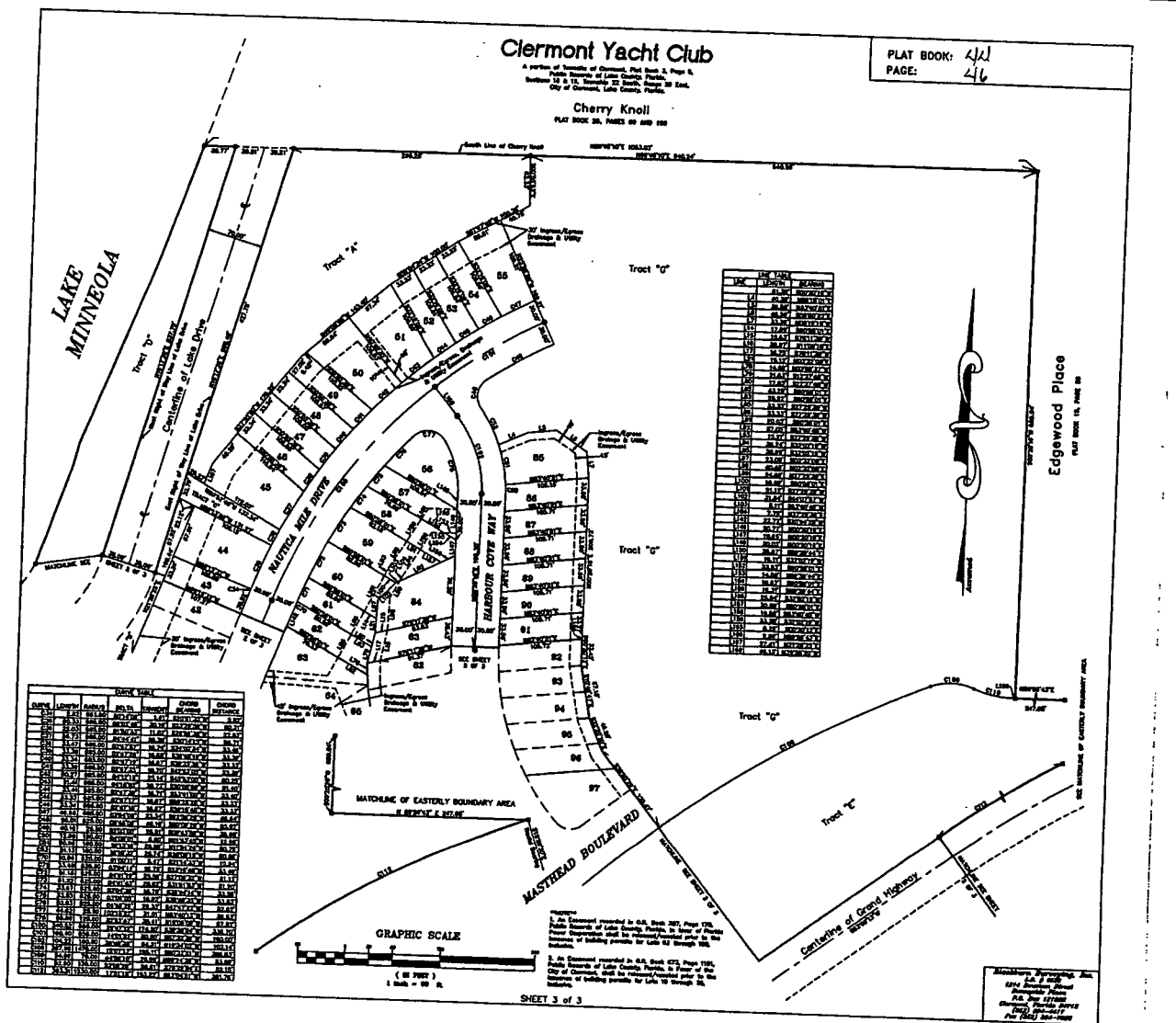
EXHIBIT “A”

PROPERTY ENCUMBERED



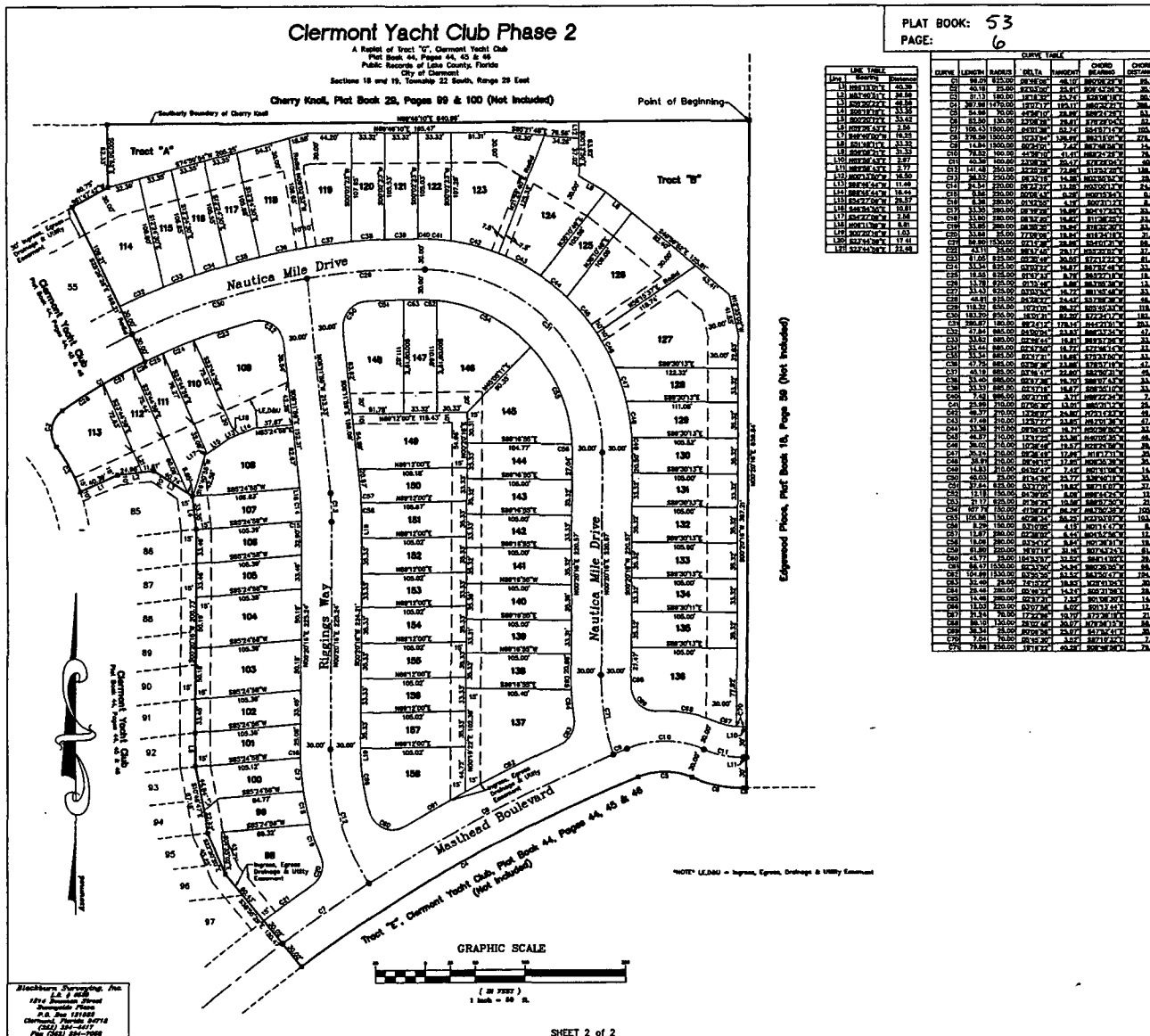
TRACT	OWNER	ACRES	REMARKS
Tract 1	...	...	...
Tract 2	...	...	...
Tract 3	...	...	...
Tract 4	...	...	...
Tract 5	...	...	...
Tract 6	...	...	...
Tract 7	...	...	...
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Tract 9	...	...	...
Tract 10	...	...	...

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EXHIBIT “B”

**ARTICLES OF INCORPORATION OF CLERMONT
YACHT CLUB MASTER ASSOCIATION, INC.**

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of the original document.

**ARTICLES OF INCORPORATION
OF
CLERMONT YACHT CLUB MASTER ASSOCIATION, INC.**

The undersigned, for the purpose of forming a nonprofit corporation under the Florida Not For Profit Corporation Act, Florida Statutes, Chapter 617, do hereby make and adopt the following Articles of Incorporation:

**Article I
NAME AND ADDRESS**

The name, physical and mailing address of the Corporation is CLERMONT YACHT CLUB MASTER ASSOCIATION, INC., 1150 W. Minneola Avenue, Clermont, Florida 34711.

**Article II
NOT FOR PROFIT**

The Corporation is a corporation not for profit as defined in Section 617.01, Florida Statutes. The Corporation is not formed for pecuniary profit. No part of the income or assets of the Corporation is distributable to or for the benefit of its Members, Directors, or Officers, except to the extent permissible under law.

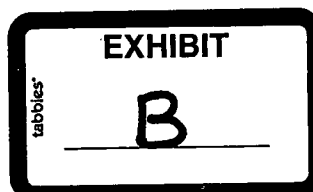
**Article III
COMMENCEMENT OF CORPORATE EXISTENCE
AND DURATION**

The date when corporate existence shall commence is the date of filing of these Articles of Incorporation with the Secretary of State, Tallahassee, Florida. The duration (term) of the Corporation is perpetual.

**Article IV
PURPOSES**

The Corporation is organized, and shall be operated exclusively for, the following purposes:

1. To enforce the Master Declaration of Covenants, Conditions, Restrictions and Easements of Clermont Yacht Club (the "Declaration"), consisting of townhomes, condominiums and facilities in Lake County, Florida, to be the Association referred to in said Declaration, and to assess Owners in accordance with said Declaration, and levy and collect adequate assessments against its management system as well as any other costs provided for in the Declaration.



2. Operate, maintain and manage the surface water or stormwater management system(s) in a manner consistent with the St. Johns River Water Management District permit No. 40-069-63370-1 requirements and applicable District rules, and shall assist in the enforcement of the Declaration that relate to the surface water or stormwater management system.

3. The Association shall levy and collect adequate assessments against members of the Association for the costs of maintenance and operation of the surface water or stormwater management system.

4. To exercise all rights and powers conferred by the laws of the State of Florida upon nonprofit corporations, including without limiting the generality of the foregoing, to acquire by bequest, devise, gift, purchase, lease or otherwise any property of any sort or use, apply, employ, sell, expend, disburse, lease, mortgage, manage, option, donate or for any of the purposes set forth herein.

5. To do such other things as are incidental to the purposes of the Corporation or necessary or desirable in order to accomplish them.

Article V LIMITATION

No part of the net earnings of the Corporation shall inure to the benefit of or be distributable to its Members, Directors or Officers, but the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article 4 (Purposes) hereof.

Article VI DISSOLUTION

In the event of termination, dissolution or final liquidation of the Corporation, the responsibility for the operation and maintenance of the surface water or stormwater management system must be transferred to and accepted by an entity that would comply with Section 40C-42.027, F.A.C. and be approved by the St. Johns River Water Management District prior to such termination, dissolution or liquidation.

Article VII MEMBERS

The Declarant, and every person or entity who is a record owner of a fee or undivided fee interest in any lot or unit which is subject to covenants of record to assessments by the Association, including contract sellers, but excluding persons holding title merely as security for performance of an obligation, shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of a lot which is subject to assessment by the Association.

Article VIII
INITIAL REGISTERED OFFICE AND AGENT

The Street address of the initial Registered Office of the Corporation is 1150 West Minneola Avenue, Clermont, FL 34711, and the name of its initial Registered Agent at that address is Andrea Edgington.

Article IX
INITIAL BOARD OF DIRECTORS

The management of the Corporation shall be vested in the Board of Directors. The number of Directors constituting the initial Board of Directors is three. The number of Directors may be increased or decreased from time to time in accordance with the Bylaws, but shall never be less than three. The Members shall elect the Directors at the annual meeting of Members. The Bylaws may provide for ex officio and honorary Directors, and their rights and privileges. The name and address of each initial Director of the Corporation is as follows

Name	Address
Philip A. Edgington	1150 W. Minneola Avenue Clermont, Florida 34711
Andrea Edgington	1150 W. Minneola Avenue Clermont, Florida 34711
Lauren Edgington	1150 W. Minneola Avenue Clermont, Florida 34711

Article X
OFFICERS

The officers of the Corporation shall consist of a President, Vice President, Secretary, Treasurer and such other Officers and Assistant Officers as may be provided in the Bylaws. Each Officer shall be elected by the Board of Directors (and may be removed by the Board of Directors) at such time and in such manner as may be prescribed by the Bylaws. The name and address of each initial Officer of the Corporation is as follows:

Title	Name	Address
President	Philip A. Edgington	1150 W. Minneola Avenue Clermont, Florida 34711

Vice President	Andrea Edgington	1150 W. Minneola Avenue Clermont, Florida 34711
Secretary/Treasurer	Lauren Edgington	1150 W. Minneola Avenue Clermont, Florida 34711

Article XI INCORPORATORS

The name and address of the Incorporator is:

Name	Address
Philip A. Edgington	1150 W. Minneola Avenue Clermont, Florida 34711

Article XII BYLAWS

The Bylaws of the Corporation are to be made and adopted by the Board of Directors, and may be altered, amended or rescinded by the Board of Directors.

Article XIII AMENDMENT

The Corporation reserves the right to amend or repeal any provisions contained in these Articles of Incorporation or any amendment to them, and all rights and privileges conferred upon the Members, Directors and Officers are subject to this reservation.

Article XIV INDEMNIFICATION

The Corporation shall indemnify each Officer and Director, including former Officers and Directors, to the full extent permitted by the General Corporation Act and the Not For Profit Corporation Act.

In Witness Whereof, the undersigned has signed these Articles of Incorporation
on this 9 day of May, 2006.



PHILIP A. EDGINGTON

ACCEPTANCE BY REGISTERED AGENT

The undersigned hereby accepts the appointment as Registered Agent of Clermont
Yacht Club Master Association, Inc.



ANDREA EDGINGTON

EXHIBIT “C”

**BYLAWS FOR CLERMONT YACHT CLUB MASTER
ASSOCIATION, INC.**

**BYLAWS
OF
CLERMONT YACHT CLUB MASTER ASSOCIATION, INC.**

CLERMONT YACHT CLUB MASTER ASSOCIATION, INC. ("Association") is the nonprofit corporation organized to enforce the Master Declaration of Easements, Covenants, Conditions and Restrictions of Clermont Yacht Club (the "Declaration"), consisting of townhomes and condominiums in Lake County, Florida, being developed by EDGINGTON ENTERPRISES, INC., and MASTHEAD, LLC, a Florida limited liability company (said owners shall be referred to as "Declarant").

**Article 1
OFFICES**

The principal office of the Association shall be in the State of Florida. The Association shall designate a registered office in accordance with Florida law and shall maintain it continuously. The Association may have offices at such other places within and without the State of Florida as the Board of Directors may from time to time determine.

**Article 2
MEMBERS**

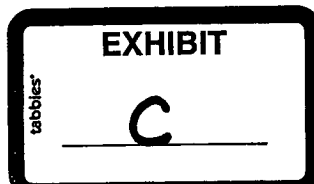
Section 1. Membership Classes. There shall be three classes of membership:

- a. Class A members shall be all Owners of improved Residential Units that have been conveyed to such Owners by a builder or developer of Residential Property.
- b. Class B members shall be Owners of unplatted Residential Property. Upon the Residential Property being platted, Class B members shall become Class C members.
- c. Class C member shall be both or one of the entities comprising the Declarant, or its specifically designated (in writing) successor.

Section 2. Transfer of Control.

- a. Declarant Control. The C Membership shall cease and be

1



converted to Class A Membership upon the earlier occurrence of the following events:

(1) within three months of January 31, 2010

(2) Upon voluntary conversion to Class A membership by the Declarant.

(3) When 90 % of the maximum number of Units as set forth in the PUD Ordinance, as amended, have been conveyed to Members of the Association other than to the Declarant, builders, contractors or others who purchase a Unit for the purpose of constructing improvements thereon for resale.

b. Declarant's Rights in the Association. Declarant reserves the right to designate the initial members of the Board of Directors of the Association. Thereafter the Board shall be elected by the Members of the Association in accordance with the terms and provisions of the Declaration and the Articles and Bylaws, except that the Declarant shall be entitled to elect one (1) member of the Board for so long as Declarant owns any Lots or Units in the Property.

Section 3. Change of Membership of Class A Members. Change of Class A Membership in the Association shall be established by recording in the Public Records of Lake County, Florida, a deed or other instrument establishing a record fee simple title to a Lot or Unit in the Property. The owner designated by such instrument thus becomes a Class A member of the Association and the membership of the prior owner is terminated. The new owner shall notify the Association in writing of the recording of the deed or other instrument establishing record title and shall furnish the Association a copy of such instrument with recording information thereon if required by the Association.

Section 4. Annual Meetings. The purpose of the annual meeting of Members is to elect Directors and to transact such other matters as may properly come before the Members. The annual meeting of the Members of the Association shall be held at the times and places designated by the Board of Directors or the President of the Association. The annual meeting of Members for any year shall be held no later than thirteen (13) months after the last annual meeting of Members. However, failure to hold an annual meeting timely shall in no way affect the terms of Officers or Directors of the Association or the validity of actions of the Association.

Section 5. Special Meetings. Special Meetings must be held when called by the Board of Directors of the Association or by at least twenty-five percent (25%) of the total voting interests of the Association of which one-half of the votes shall be comprised from the townhome association, and the remaining one-half of the votes from the condominium association. Business conducted at a Special Meeting is limited to the purposes described in the notice of the meeting.

Section 6. Place of Meeting. The Board of Directors may designate

any place, either within or without the State of Florida, as the place of meeting for any meeting of Members. If no designation is made, then the place of meeting shall be the principal office of the Association in the State of Florida.

Section 7. Notice of Meeting. Written or printed notice stating the place, day, and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered personally or by mail not less than ten (10) days nor more than sixty (60) days before the date of the meeting. Notice shall be given by or at the direction of the President or the Secretary or the persons calling the meeting to each member of record entitled to vote at the meeting. If mailed, such notice shall be deemed to have been delivered when deposited in the United States Mail addressed to the Member at his address as it appears on the records of the Association with postage thereon prepaid.

Section 8. Waiver of Notice. A written waiver of notice signed by a Member, whether before or after a meeting, shall be equivalent to the giving of such notice. Attendance of a Member at a meeting shall constitute a waiver of notice of such meeting, except when the Member attends for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

Section 9. Voting Record. If the Association has six (6) or more Voting Members of record, the officers having charge of the membership records of the Association shall make, at least three (3) days before each meeting of Members, a complete list of the Members entitled to vote at such meeting or any adjournment thereof. The list shall be kept on file at the registered office of the Association or at the principal place of business of the Association and any Member shall be entitled to inspect the list at any time during usual business hours. The list shall also be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any member at any time during the meeting. If the requirements of this section have not been substantially complied with, then upon demand of any Member in person or by proxy, the meeting shall be adjourned until the requirements are complied with. If no such demand is made, failure to comply with the requirements of this section shall not affect the validity of any action taken at such meeting.

Section 10. Member Quorum and Voting. Unless otherwise required in the Articles of Incorporation, thirty percent (30%) of the total voting interest shall constitute a quorum at a meeting of Members with at least one-half of the 30% being comprised of the townhome association and at least one-half of the 30% being comprised of the condominium association. When a specified item of business is required to be voted on by a class of Members, unless otherwise required in the Articles of Incorporation, a majority of the Members of such class shall constitute a quorum for the transaction of such items of business by that class. If a quorum is present, unless otherwise provided by law or in the Articles of Incorporation, the affirmative vote of a majority of the Members at the meeting entitled to vote on the subject matter shall be the act of the Members. After a quorum has

been established at a Members' meeting, the subsequent withdrawal of Members, so as to reduce the number of Members entitled to vote at the meeting below the number required for a quorum, shall not affect the validity of any action taken at the meeting or any adjournment thereof. If a quorum is not present when a meeting starts, then a majority of the Members at the meeting may adjourn the meeting from time to time without further notice until a quorum is present.

Section 11. Allocation of Voting Rights. The Association shall have three (3) classes of voting membership:

Class A: Class A Members shall be all Owners with the exception of the Declarant, and shall be entitled to one vote for each Residential Unit owned. When more than one person holds an interest in any Residential Unit, all such persons shall be Members and the person entitled to cast the vote for the Residential Unit shall be designated by a certificate filed with the Secretary of the Association at any time before the vote is cast, signed by all record Owners of the Residential Unit. If any Residential Unit is owned by a corporation or partnership, a similar certificate shall be required designating the person entitled to cast the vote for such Lot or Unit. In the event such certificate by multiple Owners or a corporation or partnership is lacking, then the vote for that Residential Unit shall not be considered in determining the requirement for a quorum or any other purpose until such certificate is filed with the Secretary of the Association. Except, however, when title to a Residential Unit is held by a husband and wife, they may, but shall not be required to, designate a voting member. If they do not designate a voting member, and if both are present at a meeting, only one may vote on any given matter. If they are unable to agree on who shall vote, their vote shall not be counted. If no voting member is designated and only one spouse is present at a meeting, the spouse may cast the vote for the Residential Unit without establishing the concurrence of the absent spouse. In no event shall more than one vote be cast with respect to any Residential Unit.

Class B: Class B members shall be Owners of unplatted Residential Property. Class B members shall be allocated one vote for each Residential Unit allowable to the Residential Property under the Master Plan owned by the Class B member (and which has not been developed by plat, declaration of condominium or otherwise) plus the actual number of Residential Units owned by the Class B member (including rental units owned) and shown on a recorded subdivision plan, approved site plan, declaration of condominium or cooperative. Class B members are converted to Class C members upon the unplatted Residential Property being developed by plat, declaration of condominium or otherwise).

Class C: Class C member shall be both or one of the entities comprising the Declarant, or its specifically designated (in writing) successor. The Class C member shall be allocated a number of votes equal to three times the total number of Class A and Class B votes at any time; provided, that the Class C membership shall cease and become converted to Class A upon the earlier occurrence of the following events:

(1) within three months of January 31, 2010

(2) Upon voluntary conversion to Class A membership by the Declarant.

(3) When 90 % of the maximum number of Units as set forth in the PUD Ordinance, as amended, have been conveyed to Members of the Association other than to the Declarant, builders, contractors or others who purchase a Unit for the purpose of constructing improvements thereon for resale.

Section 12. Proxies. The members have the right to vote in person or by proxy. To be valid, a proxy must be dated, must state the date, time and place of the meeting for which it was given, and must be signed by the authorized person who executed the proxy. A proxy is only effective for the specific meeting for which it was originally given, as the meeting may lawfully be adjourned and reconvened from time to time, and automatically expires 90 days after the date of the meeting for which it was originally given. A proxy is revocable at any time at the pleasure of the person who executes it. If the proxy form expressly so provides, any proxy holder may appoint, in writing, a substitute to act in his/her place.

Article 3 BOARD OF DIRECTORS

Section 1. General Powers. Subject to the limitations of the Articles of Incorporation, these Bylaws, and the Florida Not For Profit Corporation Act concerning corporate action that must be authorized or approved by the Members of the Association, all corporate powers shall be exercised by or under the authority of the Board of Directors, and the management and affairs of the Association shall be controlled by the Board of Directors.

Section 2. Number, Qualification, Election and Tenure. The number of Directors shall be the number of Directors elected from time to time in accordance with these Bylaws, but shall never be less than three. The number of Directors may be increased or decreased from time to time by election in accordance with these Bylaws. The Directors need not be Members of this Association or residents of Florida. Directors shall be elected by the Voting Members at the annual meeting of Members and shall serve until the next succeeding annual meeting and until their successors have been elected and qualified. For so long as Declarant shall own any lot or unit, it shall have the right to appoint one (1) Member of the Board.

After turnover, the three most senior elected officers of the Clermont Yacht Club Townhomes Association, Inc. shall serve as the Community Representatives for such Community and shall cast all votes attributable to Units in the Community on all Association matters requiring membership vote, unless otherwise specified in these Bylaws or the Declaration. The two most senior elected officers of the The Clermont

Yacht Club Condominium Association, Inc. shall serve as the Community Representatives for such Community and shall cast all votes attributable to Units in the Community on all Association matters requiring membership vote, unless otherwise specified in these Bylaws or the Declaration. The Community Representative may cast all such votes as he/she, in his/her discretion, deems appropriate. This five (5) person board shall constitute the Board of Directors of the Clermont Yacht Club Master Association, Inc. The boat slip community will not have a Community Representative on the Board of Directors of the Association.

Section 3. Meetings. A meeting of the Board of Directors of the Association occurs whenever a quorum of the Board of Directors gathers to conduct association business. All meetings of the Board of Directors must be 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 Director meetings must be posted in a conspicuous place in the community at least 48 hours in advance of a meeting, except in emergency. In the alternative, if notice is not posted in a conspicuous place in the community, notice of each Board of Director meeting must be either published in a newspaper of county circulation, or mailed or delivered to each member at least seven (7) days before the meeting, except in an emergency.

An assessment may not be levied at a Board of Director 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 Director meetings, except that secret ballots may be used in the election of officers.

This Section also applies to the meetings of any committee or other similar body, including any body vested with the power to approve or disapprove architectural decisions with respect to a specific lot within the subdivision, and supersedes any other provision hereinafter.

Section 4. Quorum and Voting. A majority of Directors in office shall constitute a quorum for the transaction of business. The vote of a majority of Directors present at a meeting at which a quorum is present shall constitute the action of the Board of Directors. If less than a quorum is present, then a majority of those Directors present may adjourn the meeting from time to time without notice until a quorum is present.

Section 5. Vacancies. Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the remaining Directors even though it is less than a quorum of the Board of Directors, unless otherwise provided by law or the Articles of Incorporation. A Director elected to fill a vacancy shall hold office only until the next election of Directors by the Members. Any directorship to be filled by reason of an increase in the number of Directors shall be filled by election at an annual meeting of

members or a special meeting of Members called for that purpose. A Director elected to fill a vacancy must be a member of the same community association as the Director being replaced.

Section 6. Removal. At any meeting of Members called expressly for that purpose, any Director or Directors may be moved from office, with or without cause, by majority vote of the Voting Members. New Directors may be elected by the Members for the unexpired terms of Directors removed from office at the same meetings at which such removals are voted. If the Members fail to elect persons to fill the unexpired terms of removed Directors, and if the Members did not intend to decrease the number of Directors to serve on the Board, then the vacancies unfilled shall be filled in accordance with provisions in these Bylaws for vacancies.

Section 7. Presumption of Assent. A Director of the Association who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless he votes against such action or abstains from voting because of an asserted conflict of interest.

Article 4 **OFFICERS**

Section 1. Officers. The Officers of this Association shall be a President, Vice President, Secretary and Treasurer, each of whom shall be elected by the Board of Directors. A chairman of the Board, additional Vice Presidents, and such other officers and assistant officers as may be deemed appropriate may be elected by the Board of Directors from time to time. Any two or more offices may be held by the same person. A failure to elect a President, Vice President, Secretary or Treasurer shall not affect the existence of the Association.

Section 2. Election and Term of Office. The Officers of the Association shall be elected annually by the Board of Directors at its meeting after each annual meeting of Members. If the election of Officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Each Officer shall hold office until his successor shall have been duly elected and shall have qualified, or until his death, or until he shall resign or shall have been removed in the manner hereinafter provided.

Section 3. Removal. Any Officer may be removed from office at any time, with or without cause, on the affirmative vote of a majority of the Board of Directors whenever, in its judgment, the best interests of the Association will be served thereby. Removal shall be without prejudice to any contract rights of the person so removed, but election of an Officer shall not of itself create contract rights.

Section 4. Vacancies. Vacancies in offices, however occasioned, may be filled at any time by election by the Board of Directors for the unexpired terms of such offices.

Section 5. Duties. The Chairman of the Board, or the President if there is no Chairman of the Board, shall preside at all meetings of the Board of Directors and of the Members. The President shall be the chief executive officer of the Association. Subject to the foregoing, the Officers of the Association shall have such powers and duties as usually pertain to their respective offices and such additional powers and duties specifically conferred by law, by the Articles of Incorporation, by these Bylaws, or as may be assigned to them from time to time by the Board of Directors.

Section 6. Salaries. The salaries, if any, of the Officers shall be fixed from time to time by the Board of Directors, and no Officer shall be prevented from receiving such salary by reason of the fact that he is also a Director of the Association.

Section 7. Delegation of Duties. In the absence or disability of any officer of the Association or for any other reason deemed sufficient by the Board of Directors, the Board may delegate his powers or duties to any other Officer or to any other Director.

Article 5

EXECUTIVE AND OTHER COMMITTEES

Section 1. Creation of Committees. The Board of Directors may, by resolution passed by a majority of the whole Board, designate an Executive Committee and one or more other committees.

Section 2. Executive Committee. The Executive Committee (if there is one) shall consult with and advise the Officers of the Association in the management of its affairs and shall have and may exercise, to the extent provided in the resolution of the Board of Directors creating such Executive Committee, such powers of the Board of Directors as can be lawfully delegated by the Board.

Section 3. Other Committees. Such other committees shall have such functions and may exercise such power of the Board of Directors as can be lawfully delegated and to the extent provided in the resolution or resolutions creating such committee or committees.

Section 4. Meetings. Regular meetings of the Executive Committee and other committees may be held without notice at such time and at such place as shall from time to time be determined by the Executive Committee or such other committees, and special meetings of the Executive Committee or such other committees may be called by any member thereof upon two (2) days notice to the other members of such committee, or on such shorter notice as may be agreed to in writing by each of the other members of such

committee, given either personally or in the manner provided in these Bylaws pertaining to notice for Directors' meetings.

Section 5. Vacancies. Vacancies on the Executive Committee or on other committees shall be filled by the Board of Directors then in office at any regular or special meeting of the Board of Directors.

Section 6. Quorum. At all meetings of the Executive Committee or other committees, a majority of the committee's members then in office shall constitute a quorum for the transaction of business.

Section 7. Manner of Acting. The acts of a majority of the members of the Executive Committee or other committees present at any meeting at which there is a quorum shall be the act of such committee.

Section 8. Minutes. The Executive Committee (if there is one) and the other committees shall keep regular minutes of their proceedings and report the same to the Board of Directors when required.

Article 6

MEMBERSHIP CERTIFICATES

Section 1. Form and Issuance. Unless stated otherwise herein, Members of the Association may be issued certificates signed by the President or Vice President, and by the Secretary or an Assistant Secretary. Each Membership certificate shall state the following: (a) the name of the Association; (b) that the Association is organized under the laws of the State of Florida as a nonprofit corporation; (c) the name of the person or persons to whom issued; and (d) the class of Membership. The Membership certificate itself shall convey no rights or privileges, but shall only be for identification.

Section 2. Lost, Stolen or Destroyed Certificates. The Association may issue a new Membership certificate in the place of any certificate previously issued if the Member named in the certificate (a) makes proof in affidavit form that it has been lost, destroyed or stolen; (b) requests the issuance of a new certificate; and (c) satisfies any other reasonable requirements imposed by the Association.

Article 7

BOOKS, RECORDS AND REPORTS

Section 1. Reports to Members. The Association shall send an annual report to the Members of the Association not later than four months after the close of each fiscal year of the Association. Such report shall include a balance sheet as of the close of the fiscal year of the Association and a revenue and disbursement statement for the year ending on such closing date. Such financial statements shall be prepared from and in accordance with the

books of the Association.

Section 2. Inspection of Corporate Records. Any person who is a Voting Member of the Association shall have the right, for any proper purpose and at any reasonable time, on written demand stating the purpose thereof, to examine and make copies from the relevant books and records of accounts, minutes, and records of Members of the Association. Upon the written request of any Voting Member, the Association shall mail to such Member a copy of the most recent balance sheet and revenue and disbursement statement. If such request is received by the Association before such financial statements are available for its last fiscal year, the Association shall mail such financial statements as soon as they become available. In any event, the financial statements must be mailed within four months after the close of the last fiscal year. Additionally, balance sheets and revenue and disbursement statements shall be filed in the registered office of the Association, shall be kept for at least five years, and shall be subject to inspection during business hours by any Voting Member, in person or by agent. Voting Members may be charged as reasonable cost for copying, not to exceed the commercially available rate at a printing center.

Article 8
NONPROFIT OPERATION

The Association will not have or issue shares of stock. No dividends will be paid. No part of the income or assets of the Association will be distributed to its Members, Directors, or Officers, without full consideration. The Association may contract in due course with its Members, Directors and Officers without violating this provision.

Article 9
FISCAL YEAR

The fiscal year of the Association shall be the period selected by the Board of Directors as the taxable year of the Association for federal income tax purposes.

Article 10
SEAL

The corporate seal shall bear the name of the Association between two concentric circles and in the inside of the inner circle shall bear the year of incorporation.

Article 11
INDEMNIFICATION

The Association shall indemnify each Officer and Director, including the former Officers and Directors, to the full extent permitted by the Florida General Corporation Act and the Florida Not For Profit Corporation Act, as amended.

Article 12
AMENDMENTS

The Bylaws of the Corporation may be altered, amended or rescinded by a vote of the majority of the Board of Directors.

Dated: may 18, 2006.

EXHIBIT “D”

COMMON AREA OR COMMON PROPERTY

- Entry Gate and Entrance to Clermont Yacht Club Community
- Beach
- Clubhouse
- Pool
- Named Streets
- Street Lights
- Stormwater Retention Ponds
- Landscaping

The Common Areas listed above are further identified on the plat attached hereto and incorporated herein. A stormwater retention pond within the Condominium Tract is included in the Common Area list, but is not identified on the plat.

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