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(18)

This instrument prepared
by and return to:
Scott & Sheppard, P.A.
99 Orange Street
St. Augustine, Florida 32084
(904) 825-0995

Public Records of
St. Johns County, FL
Clerk# 04-065171
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DECLARATION OF COVENANTS AND RESTRICTIONS

FOR

PRAIRIE LAKES

THIS DECLARATION is made this 27th day of AUGUST, 2004, by American Investment Associates Incorporated, a Florida Corporation, hereinafter called "Developer".

RECITALS

A. Developer is the owner of that certain real property (the "Property") located in St. Johns County, Florida, and more particularly described in Exhibit "A" attached hereto and made a part hereof.

B. It is the intention and desire of Developer to develop the Property as a residential community. Homes within the Property shall be single-family dwellings and shall be developed and maintained as part of a residential development of superior quality, architectural design and condition.

C. Developer desires to maintain the beauty of the Property, to assure high-quality standards for the enjoyment of the Property, and to promote the health, safety and social welfare of each owner of a portion of the Property. To provide for the preservation, enhancement and maintenance of the Property and the improvements thereon, Declarant desires to subject the Property to the covenants, restrictions, easements charges and liens of this Declaration, each and all of which is and are for the benefit of the Property and each owner of a portion hereof.

D. To provide for the efficient management of the Property, Developer deems it desirable to create a nonprofit association. The Association, as hereinafter defined, shall own, operate, maintain and administer all of the Common Areas and the Master Drainage System as said terms are hereinafter defined, located within the Property and shall administer and enforce the covenants, conditions, restrictions and limitations hereinafter set forth. The Association shall also have the power and duty to administer and enforce the easements set forth in this Declaration, and to collect and disburse the assessments hereinafter created.

DECLARATION

NOW, THEREFORE, Developer hereby declares that the Property shall be held, sold and conveyed subject to the following easements, restrictions, covenants, limitations and conditions (sometimes hereinafter referred to as the "covenants and restrictions"), which are for the purpose of protecting the value and desirability of the Property and which shall run with the title to the Property and shall be binding upon all parties having any right, title or interest in the Property or any part thereof and their respective heirs, successors and assigns, and which shall inure to the benefit of each Owner thereof, including Developer.

ARTICLE I

DEFINITIONS

The following definitions shall apply wherever the capitalized terms appear in the Declaration:

- (a) "ARB" shall mean and refer to the Architectural Review Board as provided in Article VI hereof.
- (b) "Association" shall mean and refer to Prairie Lakes Property Owners' Association, Inc., a Florida not-for-profit corporation, its successors and assigns.
- (c) "Association Articles and Bylaws" shall mean and refer to the Articles of Incorporation and the Bylaws of the Association, as amended from time to time.
- (d) "Association Rules and Regulations" shall mean and refer to the rules, regulations and policies adopted by the Board of Directors as the same may be amended from time-to-time.
- (e) "Board of Directors" shall mean and refer to the Board of Directors of the Association.
- (f) "Charges" shall mean and include all General, Special and Lot Assessments.
- (g) "Common Roads" shall mean and refer to the roads and right-of-ways depicted on any plat of the Property, which provide ingress and egress to a Lot.
- (h) "Common Area" or "Common Areas" shall mean and refer to all real and personal property now or hereafter owned by the Association which is intended for the common use and enjoyment of all of the Owners and including, without limitation, the Common Roads, any recreation areas, wetlands or preservation areas reserved to the Association, fencing, landscaping and signage on any and all such areas, the entrance road with signage and landscaping located thereon, and any other areas designated on the plat of the Property as common areas.
- (i) "Developer" shall mean and refer to American Investment Associates Incorporated or such other entity owning all or a portion of the Property which has been specifically assigned the rights of Developer hereunder and any assignee thereof which has had the rights of Developer similarly assigned to it.
- (j) "Declaration" shall mean and refer to this Declaration of Covenants and Restrictions, as amended from time to time.
- (k) "Family" shall mean and refer to a social unit consisting of parent(s) and children that they rear.
- (l) "General Assessment" shall mean and refer to an assessment required of all Owners, as further provided in Article V entitled "Covenants for Maintenance Assessments" and elsewhere in this Declaration.
- (m) "Guest" shall mean and refer to a social guest of an Owner. However, any person residing on any portion of the Property for a period of sixty (60) consecutive days or longer shall be deemed a permanent resident.
- (n) "House" shall mean and refer to any single-family residential dwelling constructed or to be constructed on or within any Lot.
- (o) "Lot" shall mean and refer to any plot of land intended as a site for a House, whether or not the same is then shown upon any duly recorded subdivision plat of the Property. In the event that a plat of the Property is recorded, "Lot" shall mean and refer to any plot of land designated as a lot on said plat and to any resubdivided or replatted lot created pursuant to Article VII, Section 17. "Lake Lot" shall mean and refer to any Lot which lies in part below the surface waters of a Lake as reflected on the plat or survey of such Lot. "Dry Lot" shall mean and refer to any Lot which does not lie to any extent below the waters of a Lake as reflected on the Plat or survey of such Lot.
- (p) "Lot Assessment" shall mean and refer to any assessment charged to a particular

Owner pursuant to this Declaration for services and costs which relate specifically to that Owner's Lot.

(q) "Master Drainage System" shall mean and refer to storm and surface water management facilities designed for the collection of storm and surface water draining from the Property or any portion thereof, and for the storage, or conveyance of said waters, or any other water management capabilities. The term shall include, without limiting the generality of the foregoing, the following: (1) the detention/retention lakes and ponds and other improvements which constitute the system, (2) drainage facilities appurtenant to said basins, (3) all lakes, littoral areas, swales, underdrains, culverts, and filtration systems serving the Property, (4) any easements and right-of-ways which are necessary for drainage, ingress and egress, in order to properly operate and maintain the system, and (5) any other properties hereafter acquired by the Association which are necessary in connection with the operation and maintenance of the system.

(r) "Member" shall mean and refer to those persons entitled to membership in the Association as provided in this Declaration or the Association Articles.

(s) "Mortgage" shall mean any bonafide first mortgage encumbering a Lot as security for the performance of any obligation.

(t) "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to or life estate in any Lot. Owner shall not include those having an interest merely as security for the performance of an obligation.

(u) "Property" shall mean that certain real property described in Exhibit "A" and any other additional property as Developer may hereafter subject to this Declaration.

(v) "Special Assessments" shall mean and refer to those Special Assessments referred to in Article V hereof.

(w) "Yard" shall mean and refer to any and all portions of any Lot lying outside the exterior walls of any House constructed on such Lot and shall include all landscaping, improvements and decorative and functional appurtenances thereon.

(x) "Surface Water or Stormwater Management System" means a system which is designed and constructed or implemented to control discharges which are necessitated by rainfall events, incorporating methods to collect, convey, store, absorb, inhibit, treat, use or reuse water to prevent or reduce flooding, overdrainage, environmental degradation, and water pollution or otherwise affect the quantity and quality of discharges from the system, as permitted pursuant to Chapters 40C-4, 40C-40, or 40C-42. Florida Administrative Code and/or other applicable provisions of law.

ARTICLE II

OWNERSHIP AND MEMBERSHIP

Section 1. Membership. Every owner shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from title to any Lot.

Section 2. Voting Rights. The Association shall have two classes of voting membership.

(a) Class A. Class A Members shall be all Owners with the exception of Developer. Class A Members shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, other than as security for the performance of any obligation, all such persons shall be Members. The vote for such parcel shall be exercised as they determine by written designation to the Association, but in no event shall more than one vote be cast with respect to any Lot.

(b) Class B. Class B Member shall be Developer, who shall be entitled to six (6) votes for each lot owned. The Class B membership shall cease and be converted to Class

A membership upon the happening of the first to occur of either of the following events: (a) when the total votes outstanding in the Class "A" membership equal the total votes outstanding in the Class "B" membership; or seven (7) years after recording of this Declaration; or at such time as Developer, in its sole discretion, elects to terminate Class "B" membership.

ARTICLE III

OWNER'S RIGHTS

Section 1. Title to Common Areas and Owner's Easements of Enjoyment

As provided in section 4 of this Article, Developer will convey or cause to be conveyed to the Association the title to the Common Areas. Every Owner shall have a non-exclusive right and easement of enjoyment in and to the Common Areas, which will be appurtenant to and shall pass with title to every Lot, subject to the provisions of the Association Articles and Bylaws, Association Rules and Regulations and the following provisions:

- (a) The right of the Association to charge assessments and other fees for the maintenance and security of the Common Areas and the facilities and services provided to Owners as described herein.
- (b) The right of the Association to adopt rules and regulations governing the manner and extent of use of the Common areas and the personal conduct of the Members of the Association and their guests thereon.
- (c) The right of the Association to dedicate or transfer all or any part of the Common Areas to any public agency, authority or utility (public or private) for such purposes and subject to such conditions as may be agreed upon by a majority of the Members of the Association.
- (d) The right of the Association to mortgage all or any part of the Common areas.
- (e) The right of Developer or the Association to grant and reserve easements and right-of ways through, under, over and across the Common Areas.
- (f) The right of Developer or the Association to acquire, extend, terminate or abandon easements.
- (g) The Association's right to (i) suspend any Owner's right to use the Common Areas for any period during which any Charges against such Owner's Lot remains unpaid and (ii) to suspend any Owner's right to use the Common Areas for a period not to exceed sixty (60) days for any material infraction of the Association Rules and Regulations.

Section 2. Assignment of Right. Any Owner may assign his right of enjoyment to the Common Areas and facilities thereon to his tenant who resides on his Lot, subject to the provisions of this Declaration and the Association Articles and Bylaws and Association Rules and Regulations.

Section 3. Destruction of Facilities. In the event any Common Areas, facilities or personal property of the Association or of Developer are damaged or destroyed by an Owner or any of his guests, tenants licensees, agents, employees or members of his Family as a result of negligence or intentional acts, such Owner hereby authorizes the Association to repair the damage. Such repairs will be performed in a good and workmanlike manner in conformance with the original plans and specifications for the area involved or as the area may have been modified or altered subsequently by the Association. The amount necessary for such repairs shall be the responsibility of such Owner and shall become a Lot Assessment.

Section 4. Transfer of Title. Developer may retain title to the Common-Areas, or any portion thereof, until such time as it has completed all improvements thereto. Upon such completion, Developer hereby covenants that it will convey the Common Areas to the

Association subject to easements, restrictions and governmental permits of record or reserved herein and free and clear of all liens and financial encumbrances other than taxes for the year of conveyance. Developer will be not responsible for repairs, replacement, or additions to the common areas at the time of conveyance. However, Developer reserves the right, after conveyance to the Association, to enter upon such Common Areas for the purpose of construction of additional facilities, alteration of existing facilities, landscaping or creation of new easements or modifications of pre-existing easements, or to exercise any other rights provided for or reserved elsewhere herein.

ARTICLE IV

ASSOCIATION

Section 1. General. The duties and powers of the Association shall be those provided by law and as set forth in this Declaration and the Association Articles and Bylaws, together with those duties and powers which may be reasonably implied to carry out the purposes of the Association. Without limiting the generality of the foregoing, the Association may take such measures and perform such services which, in the judgment of the Board of Directors, are necessary or desirable to (i) enforce the covenants, conditions, restrictions and limitations set forth in this Declaration, (ii) operate, maintain and administer all Common Areas and the Master Drainage System, (iii) administer and enforce the easements provided for in this Declaration, (iv) make, collect and disburse the assessments created in this Declaration, and (v) adopt, amend, rescind and enforce reasonable rules and regulations governing the use of the Property.

Section 2. Services. The Association may employ or contract with one or more third parties for the performance of all or any portion of the Association's responsibilities hereunder.

Section 3. Surface Water Management System. The Association shall be responsible for the maintenance, operation and repair of the Surface Water or Stormwater Management System. Maintenance of the Surface Water or Stormwater Management System(s) shall mean the exercise of practices which allow the systems to provide drainage, water storage, conveyance or other surface water or stormwater management capabilities as permitted by the St. Johns Water Management District. The Association shall be responsible for such maintenance and operation. Any repair or reconstruction of the Surface Water or Stormwater Management System shall be as permitted or if modified as approved by St. Johns County and the St. Johns Water Management District.

ARTICLE V

COVENANTS FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of Lien and Personal Obligations. All assessments and fines (referred to collectively in this Article as "Charges"), together with interest and costs of collection when delinquent, shall be a charge on the Property and shall be a continuing lien upon the Lot against which the Charges are made, and shall also be the personal obligation of the person or entity who is the Owner of such Lot at the time when the Charges were levied, and of each Owner. Every Owner of a lot, excluding Developer, by acceptance of a deed therefore, whether or not it shall be expressed in such deed, shall be deemed to covenant and agree to pay to the Association the Charges established or described in this Article and in the Association Articles and Bylaws. No diminution or abatement of any charges shall be allowed by reason of any alleged failure of the Association to perform any such function required of it, or any alleged negligent or wrongful acts of the Association, or its officers, agents and employees, or the non-use by the Owner of any or all of the Common Areas, the obligation to pay such Charges being a separate and independent covenant by each Owner.

Section 2. Annual General Assessment. Each Lot within the Property is subject to an annual General Assessment by the Association for the improvement, maintenance and operation of the Common Areas and the Master Drainage System and Surface Water Management System, including the management and administration of the Association and the furnishing of services as set forth in this Declaration. Such General Assessments

must be allocated equally on a per Lot basis. As further described in this Article, the Board of Directors by a majority vote shall set the annual General Assessments at a level sufficient to meet the Association's obligations. The Board of Directors shall have the right, power and authority, during any fiscal year, to increase the annual General Assessment for the purpose of meeting its expenses and operational costs on a current basis. The Board of Directors shall set the date or dates that the General Assessments shall become due, and may provide for collection of General Assessments annually or in monthly, quarterly or semi-annual installments; provided however, that upon a default in the payment of any one or more installments, the entire balance of the yearly Assessment may be accelerated at the option of the Board of Directors and be declared due and payable in full.

Section 3. Special and Emergency Assessments.

(a) In addition to the General Assessments authorized above, the Association may levy in any assessment year a Special Assessment for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of any capital improvement located on, upon, or within the Common Areas, Master Drainage System and Surface Water Management System including fixtures and personal property related thereto.

(b) The Association may levy an Emergency Assessment at any time by a majority vote of the Board of Directors, for the purpose of defraying, in whole or in part, the cost of any unusual or emergency matters that affect the Common Areas or the Master Drainage System or Surface Water Management System, and the Emergency Assessment shall be due and payable at the time and in the manner specified by the Board of Directors.

Section 4. Lot Assessments. The Association may levy from time to time, in any assessment year a Lot Assessment against a particular Lot for the purpose of defraying, in whole in a part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the specific Lot, or any other maintenance or special services provided to such Lot or its Owner, the cost of which is not included in the General Assessment

Section 5. Commencement of General Assessments. The General Assessments provided for herein shall commence as to each Lot on the first day following the conveyance by Developer.

Section 6. Effect of Nonpayment and Remedies of the Association

(a) Any Charges not paid within fifteen (15) days after the due date shall be subject to a late fee as determined from time-to-time by the Board of Directors and shall bear interest at a rate of eighteen percent (18%) per annum until paid.

(b) All Charges against any Lot pursuant to this Declaration, together with such late fee, interest thereon, and costs of collection thereof (including reasonable attorney's fees at all levels of the proceedings, whether suit is filed or not), shall become a continuing lien on such Lot from and after the date of recording of a claim of lien in the public records of St. Johns County, Florida. The Association may bring an action at law against the Owner personally obligated to pay the same or may foreclose the lien against the Lot, as provided herein, or both. The lien provided for in this Section shall be in favor of the Association. The Association shall have the power to bid for an interest in any Lot foreclosed at such foreclosure sale and to acquire and hold, lease, mortgage and convey the same.

(c) The lien of the Charges provided for herein shall be inferior and subordinate to the lien of any Mortgage placed upon any Lot so long as such Mortgage is recorded prior to any claim of lien filed by the Association. The sale or transfer of a Lot pursuant to a Mortgage foreclosure, or any proceeding in lieu of foreclosure, shall extinguish the lien of such Charges as to payments which became due prior to such sale or transfer however, any party taking title to a Lot pursuant to a Mortgage foreclosure, or any proceeding in

lieu therefore, shall be liable for any Charges which become due after such acquisition. Any Charges which are extinguished by virtue of a party taking title to a Lot pursuant to a Mortgage foreclosure or proceeding in lieu thereof shall be distributed equally between all Class A Members as an Association expense.

Section 7. Certificate. The Treasurer of the Association upon written demand of any Owner liable for Charges, shall furnish to such Owner a certificate in writing signed by such Treasurer, setting forth whether such Charges have been paid.

Section 8. Budget

(a) The fiscal year of the Association shall consist of a twelve-month period commencing on January 1 of each year and terminating on December 31st of that year.

(b) The Association, shall determine the budget for the fiscal year in which a Lot is first assessed its fractional share of the Annual General Assessment.

(c) Pursuant to the Association Articles and Bylaws, the Board of Directors shall adopt a budget for each succeeding year containing an estimate of the total amount which they consider necessary to pay the cost of all expenses to be incurred by the Association to carry out its responsibilities and obligations including, without limitation, the cost of wages, materials, insurance premiums, services, supplies and other expenses needed to render the services specified hereunder. Such budget shall also include such reasonable amounts as the Board of Directors consider necessary to provide working capital and to provide for general operating reserve and reserves for contingencies and replacements. The Board of Directors shall send each of its Members a copy of the budget, in a reasonably itemized form which sets forth the amount of the Assessments payable by each of its Members. Each budget shall constitute the basis for determining each Owner's General Assessment as provided herein.

(d) The failure or delay of the Board of Directors to prepare or adopt the annual budget or adjusted budget for any fiscal year shall not constitute a waiver or release in any manner of any Owner's obligation to pay any assessment as herein provided, whenever the same shall be determined. In the absence of an annual budget or adjusted budget, each Owner shall continue to pay the Annual General Assessment at the then existing rate established for the previous fiscal period in the manner such payment was previously due until notified otherwise.

Section 9. Ad Valorem Taxes. In the event the Common Areas owned by the Association are taxed separately from the Lots deeded to Owners, the Association shall include such taxes as a part of the budget. In the event the Common Areas owned by the Association are taxed as a component of the value of the Lot owned by each Owner, it shall be the obligation of each Owner to timely pay such taxes.

Section 10. Exempt Property. The following property subject to this Declaration shall be exempt from all assessments and liens created herein:

- (a) All properties dedicated to and accepted by a governmental body, agency or authority;
- (b) All Common Areas;
- (c) All Lots or Property owned by the Developer. The Developer may assign this exemption right to any entity which acquires two or more Lots for development purposes. Such an assignment shall have no effect on the Developer's exemption hereunder.

ARTICLE VI

ARCHITECTURAL CONTROL

Section 1. ARB. The Developer or its assigns shall constitute the Architectural Review Board (the "ARB") as long as Developer or its assigns owns one or more lots in the Property. Persons appointed by the Developer to the ARB need not be members of the

Association. Developer or its assigns will retain control of the ARB as long as it owns one or more lots in the Property. At such time as developer relinquishes the ARB control to the Association, the Developer shall establish the ARB, which shall consist of at least five (5) members who must be members of the Association but may or may not be members of the Board of Directors. Each ARB member shall be appointed for a one (1) year term commencing with the fiscal year of the Association and may be removed, with or without cause, by the Developer at any time by written notice, with successors appointed to fill such vacancy for the remainder of the term of the former member, provided that only Developer shall have the right to remove ARB members which Developer has appointed. The ARB shall meet at least quarterly or on an as needed basis as may be designated by the Chairman of the ARB. Three (3) members shall constitute a quorum for the transaction of business, and the affirmative vote of the majority of those present in person or by proxy shall constitute the action of the ARB on any matter before it. The ARB is authorized to retain the services of consulting architects, landscape architects, urban designers, engineers, inspectors, contractors and/or attorneys in order to advise and assist the ARB in performing its functions as set forth herein.

Section 2. Architectural Approval.

- (a) No construction, modification, alteration, landscaping, grading, tree removal or other improvement of any nature whatsoever, except for interior alterations not affecting the external structure or appearance of any House or the Lot, shall be undertaken on any Lot unless and until a plan of such construction modification, alteration, landscaping, grading, tree removal or other improvement, shall have been approved in writing by the ARB. This Article shall not apply to any portion of the Property while it is being utilized by a governmental entity or being developed by the Developer.
- (b) The plans to be submitted to the ARB for approval shall include (i) two copies of the construction plans and specifications, including all proposed landscaping and any requested tree removal of any trees and other foliage on a Lot, (ii) an elevation or rendering of all improvements, (iii) such other items as the ARB may deem appropriate, including, but not limited to any bulkheading and/or proposed dockage on a Lake Lot. One copy of such plans, specifications and related data so submitted shall be retained in the records of the ARB, and the other copy shall be returned to the Owner marked "Approved" or "Disapproved".
- (c) Approval shall be granted or denied by the ARB, in its sole discretion, based upon compliance with the provisions of this Declaration, the quality of workmanship and materials, color, harmony of external design with surrounding structures, location of the building, or structure with respect to topography and finish grade elevation, the ARB's design and construction standards in effect, if any, from time-to-time, the effect of the improvements on the appearance of surrounding areas, and all other factors, including purely esthetic considerations which, in the sole opinion of the ARB, will affect the desirability or suitability of the construction. The ARB shall have the sole discretion to determine whether plans and specifications submitted for approval are acceptable.
- (d) Approval or disapproval of applications shall be given to the applicant in writing by the ARB in accordance with the foregoing within thirty (30) days after complete submittal has been made to the ARB, unless an extension is agreed to by the applicant.
- (e) After approval by the ARB, the proposed improvements must be substantially commenced within six (6) months excepting approvals set forth in Article VI, Section 2. (f), or approval must once again be obtained from the ARB as provided herein. Once commenced, the construction must proceed diligently. The exterior of any House and the accompanying landscaping shall be completed within twelve (12) months from commencement unless the ARB allows an extension of time.
- (f) The Developer may approve plans for future building by builders prior to the Developer turning architectural control over to the Homeowners Association. Minor changes in said plans will be allowed without requiring the builder to resubmit the plans to the Architectural Review Board. The "ARB" and the Homeowners Association will be bound to honor the plan approvals given by the Developer. These approvals will be valid

for two years after turning control over to the Homeowners Association.

(g) The ARB shall establish a fee sufficient from time-to-time to cover the expense of reviewing plans and related data and to compensate any consulting architects, landscape architects, urban designers, inspectors or attorneys retained in accordance with the terms hereof.

Section 3. No Representation. No approval of plans and specifications and no publication of architectural standards, if any, shall be construed as representing or implying that such plans, specifications or standards will, if followed, result in properly designed improvements. Such approvals and standards shall in no event be construed as representing or guaranteeing that any House or other improvement built in accordance therewith will be built in accordance with applicable building codes or other governmental requirements or in a good and workmanlike manner. Neither Developer, the Association nor the ARB shall be responsible or liable for any defects in any plans or specifications submitted, revised or approved pursuant to the terms of this Article, nor any defects in construction undertaken pursuant to such plans and specifications.

ARTICLE VII

USE RESTRICTIONS

Section 1 Land Use All lots shall be used exclusively for residential purposes.

Section 2. Minimum Square Footage of Dwellings. The ground floor area of any House shall contain a minimum of One Thousand Five Hundred (1,500) square feet of enclosed living area in the case of one-story structures, and not less than One Thousand Eight Hundred (1,800) square feet of enclosed living area in the case of a structure greater than one story. Specifically excluded from "enclosed living area", without limitation, are garages, open or screened porches, terraces, finished or unfinished basements and other covered areas. Based upon these guidelines, the ARB shall have the sole discretion to determine whether any area qualifies as enclosed "living area".

Section 3. Location of Improvements on Lot. Each Lot shall have the following setbacks for all improvements of any nature to be located on the Lot:

- (a) A 20 foot setback from the front line, except front entry garages shall be required to have a 25 foot setback.
- (b) A 7.5 foot side setback measured from the property line to the wall of the structure. Eaves may protrude 2.5 feet into the required side setback.
- (c) For Lake Lots, the rear setback shall be the drainage easement line as established by the Plat. All Dry Lots shall have a 10 foot setback from the rear line.
- (d) A 10 foot setback from any side street line.

The term "front lot line" shall mean any boundary line which is contiguous to a street right-of-way and which the front of the House faces. The term "rear lot line" shall mean any lot boundary line, other than a lot line which is contiguous to a street right-of-way, which does not extend to or intersect the front lot line. The term "interior side lot line" shall mean any lot boundary line other than a front or rear lot line, and other than a lot line which is contiguous to a street right-of-way. As to all corner lots, the Developer may, in its sole discretion, determine which lot lines are the front lot lines and the side street lines. All accessory uses including without limitation pools, screened enclosures, spas, patios, and barbecue pits shall have a minimum rear setback as specified in subparagraph (c), above (measured from the pool's screen enclosure or from outer extreme of improvement for unscreened pools) on Dry Lots; and (ii) the platted drainage and lake maintenance easement line on all Lake Lots; provided, however, that the foregoing shall not prohibit the ARB, in its sole discretion, from approval of lakefront bulkheads, docks, gazebos and/or other structures which in the sole discretion of the ARB do not unreasonably impair said easement or the general aesthetics of the community and which

are otherwise permissible by all governing agencies which may have permitting jurisdiction thereof. The minimum setback requirements set forth above shall not, in any event, diminish the absolute authority of the ARB to increase setbacks as it may deem in its sole discretion necessary to maintain the aesthetic beauty and quality of the development.

Section 4. Septic Tank Drainfields. No part of any septic tank drainfield mound shall extend closer to the street than the front of the home that it serves (Such setback being specified in Article VII, Section 3., above). The ARB may require that a single septic tank drainfield mound be constructed to serve two abutting homesites; in such event, the required mound shall be centered on the side lot line of the two abutting homesites that will be served by such common drainfield. In all cases, the ARB shall require sufficient fencing and/or landscaping necessary to obscure raised drainfields from the view of passing vehicular and pedestrian traffic on all streets abutting the Lots.

Section 5. Maximum Height of a Structure. The maximum height of a structure for all permitted or permissible uses and structures is Thirty Five (35) Feet, measured from the first floor finished elevation.

Section 6. Upkeep and Maintenance of Lots. It shall be the obligation of each Owner to maintain his Lot in a neat, clean, and attractive condition. In the event an Owner fails to do so, the Association shall have the right to clean up the Lot, cut weeds, remove trash, debris and garbage, and do such other things as it may deem necessary and appropriate. The costs incurred by the Association for such Lot maintenance shall be a Lot Assessment

Section 7. Conduct of Residents. No illegal, noxious or offensive activity shall be conducted or carried on, in or upon any Lot or any other portion of the Property. Accordingly, residents shall not engage in any activities or maintain any condition, animal, device or thing whose activities or existence shall in any way be or become a nuisance or a source of embarrassment, discomfort, or annoyance to the neighborhood, or which shall otherwise diminish quiet enjoyment of Owners or tenants residing within the Property. No fires for burning trash, leaves, or other debris shall be permitted on any portion of the Property; provided, however, that Developer or builders, with Developer's approval, may burn clearing and building debris as needed.

Section 8. Signs. No signs, excepting one "For Rent" or "For Sale" sign of a size approved by the ARB, shall be erected or maintained on any Lot, except with the written permission of the ARB or except as may be required by legal proceedings. The ARB reserves the right to restrict size, color and content of signs permitted by it to be erected upon any Lot within the Property. Identification and street numbers exceeding a combined total more than two (2) square feet shall not be erected without the written permission of the ARB. This section shall not apply to the Developer or to any person or entity designated by the Developer. Developer or his designee reserves the right to enter any portion of the development and remove any sign not meeting the above state criteria.

Section 9 Parking Spaces for Boats, Trailers and Trucks. In addition to a minimum two car garage, each Lot shall provide space for at least two (2) automobiles to park off the street prior to the occupancy of any House. No automobiles, trailers, or boats shall be parked in the roadways or on the street right-of-way(s) adjoining any Lot. No wheeled vehicles of any kind or any other offensive objects may be kept or parked in a state of disrepair on any lot or in the street right-of-way adjoining any lot. No boats, boat trailers, trucks (other than pickup trucks), travel trailers, motor homes or recreational vehicles shall be parked on any lot unless such shall be placed or parked in a fenced side yard (other than a side yard abutting a street right of way) or fenced rear yard of a lot, so that such vehicle cannot be observed from the street. Commercial vehicles for pick up and delivery services, may on temporary basis only, constitute an exemption to this Section.

Section 10. Sanitary Sewage and Water Service.

(a) Prior to the occupancy of a residence on any Lot, proper and suitable provisions shall be made for the disposal of sewage by connection to an approved septic system. The

St. Johns County Utility shall have the exclusive right and privilege to provide potable water utility service and the Owners shall connect to and be serviced by this Utility and no other.

(b) Each Owner may drill a well, assuming it complies with all governmental requirements and regulations, if the sole purpose for said well is to provide water for lawns, swimming pools, ornamental shrubs, outdoor plantings, heat pumps or air conditioning units. The ARB reserves the right to approve the site location of wells and pumps, and no approval shall be granted for any proposed well which may impair the placement of septic systems on adjacent properties.

(c) In the event of any violation of this Section 10, the Developer or the St. Johns County Utility may prosecute proceedings in law or in equity against the person(s) violating these provisions and shall be entitled to all available remedies for such violations.

(d) The Connection fees and charges for water service shall be as established by the St. County Utility and as regulated by appropriate governmental authorities.

Section 11. Garages. All garages must be constructed to accommodate a minimum of two (2) automobiles.

Section 12. Temporary Structures. Subject to the provisions of Section 26, no structure of a temporary character or nature shall be placed upon any Lot at any time. Temporary structures shall include, without limitation, storage sheds, tool sheds and workshops. Permissible temporary structures located or erected under the provisions of Sections 26 shall not at any time be used as a residence or be permitted to remain on the Lot after the time specified for removal under Section 26.

Section 13. Fences and Mailboxes. No fence or wall shall exceed four (6) feet in height, except where the subdivision abuts other property, and all proposed fencing shall require prior approval of the ARB. In the event that the United States Postal Service allows house delivery of mail, all mailboxes shall be uniform and meet the requirements of the ARB.

Section 14. Animals, Livestock and Poultry. No animals, livestock or poultry shall be bred, kept, raised or maintained on any Lot except that dogs, cats or other household pets may be kept, provided that they are not kept, bred, or maintained for any commercial purposes and do not exceed Four (4) in the aggregate. Birds and rabbits shall be kept caged at all times, and all Owners shall comply at all times with all applicable St. Johns County leash laws, ordinances and regulations governing the keeping, care and protection of pets.

Section 15. No Improvements Prior to Construction of Residence. No drives, fences, walls or other improvements, if same be permitted hereby, shall be erected on any Lot prior to the erection or construction of a House thereon, provided that any such improvements may be erected and constructed on any Lot simultaneously and in conjunction with erection of the House. Notwithstanding this provision, all required roadfront sidewalks shall be constructed at the expense of Lot owners not later than two (2) years from the date of recording of the Plat. In the event any Owner fails to comply with this provision within the time herein specified, the Association may contract for and complete such sidewalk construction and charge the cost of such improvement as a special assessment against such Lot. The purpose and intent of this provision is to insure that all required sidewalks in the subdivision are constructed not later than two years after recording of the Plat.

Section 16. Landscaping. Minimum landscaping requirements for all homes constructed within the Property shall require that those areas deemed front yard (that area forward of actual front outside corners of the building to side lot lines, to back of curb street) will be fully sodded as well as twenty (20) feet on each side and twenty (20) feet in the rear. Corner lot sideyards adjacent to roadways shall be fully sodded. Other areas may be seeded or sprigged to initiate grass growth. A landscape plan must be submitted to and approved by the ARB prior to construction of any home, and all approved landscaping

must be in place within 50 days after occupancy.

Section 17. Resubdividing of Lots. No Lot shall be subdivided or sold or leased in parcels except as provided in this paragraph. The Developer may subdivide or replat or may combine fractional parts of any Lots to create a new building plot, in any way it sees fit to do so provided that any such replatted or resubdivided Lot or Lots or fractional part or parts thereof shall have a total area and a width at the front building restriction (setback) line of not less than that required by the provisions of the Prairie Lakes P.U.D. as approved by St. Johns County. The several covenants, restrictions and reservations herein set forth shall apply to the Lots subdivided or replatted, in the same manner as if such Lots were original platted Lots.

Section 18. Release of Violations. Where an improvement has been erected or the construction thereof substantially advanced and the same is located on any Lot in such manner as to constitute a violation or violations of the covenants and restrictions herein contained, the Developer shall have the right at any time to release such Lot or portions thereof, from any part of such covenants and restrictions as are violated, provided, however, that said Developer shall not release a violation except one it determines in its sole discretion to be a minor violation.

Section 19. Prohibited Structures and Activities. No radio, television aerial or antenna or satellite dish nor any other exterior electronic equipment or device of any kind shall be installed or maintained on the exterior of any structure located on a Lot or be installed or maintained on the grounds, except that dishes and devices that are 18" or smaller, and that are installed such that they are not directly visible from roads, may be allowed but must be first approved by the ARB. No exterior clothes drying shall be permitted except behind a fenced area. No automobile, trailer, or tent to be used or which can be used wholly or partly, permanently or temporarily, for residential purposes shall be allowed on any Lot. No temporary or above ground swimming pools are allowed. No tool sheds, storage sheds, or other similar structures will be allowed on any lot. Playground equipment may be allowed in low road visibility areas, but only if approved by the ARB.

Section 20. Lake Lots. The lake lots shall be subject to the following covenants and restrictions:

(a) The Owners of all Lake Lots as hereinabove defined shall have the responsibility to sod or otherwise prevent erosion, and to maintain lake banks within their boundaries to the actual water line, as it may exist from time-to-time. The Lake Lots shall be maintained by said Owners in a neat, clean and orderly manner, so as to prevent erosion of the embankment; and, the height, grade and contour of the embankment shall not be changed without prior written approval of the Developer and/or any governmental agency which may have jurisdiction thereof. The owners of Lake Lots shall be responsible for maintenance of the abutting lakes. The St. Johns River Water Management District ("SJRWMD") has been granted perpetual drainage easements through and around those lakes and wetlands and drainage structures and facilities situated on the Property that are a part of the Master Drainage Plan permitted under SJRWMD Permit No. 40 - 109 - 28383 - 2. Each Lake Lot is subject to an easement from the lake embankment (including any submerged portions of the Lot) for the installation, use, maintenance, repair and replacement of the Master Drainage System. The County and the Association shall also have perpetual easements across each Lake Lot for ingress and egress to such lake for the purposes of exercising any right or performing any obligation provided in this Declaration, on the plat of the Property, by the aforesaid Permit, or by law.

Section 21. Wetlands.

(a) General. Only the Developer shall have right to pump or otherwise remove any water from any lake, pond, or wetlands situated upon the Property for the purpose of irrigation or other use notwithstanding that all or a portion of such wetlands may be located within a Lot. Subject to drainage easements and applicable permits, the Association shall have the sole and absolute right to control the water level of such lakes and to control the growth and eradication of plants, animals, fish and fungi in any such lakes. The height, grade and contour of any lake embankment shall not be changed

without the prior written consent of the ARB. No decks, docks, moorings, pilings, bulkheads or other structures shall be constructed on such embankments, unless and until same shall have been approved by ARB and permitted by any governmental agency having jurisdiction thereof, which approval the ARB may withhold in its sole discretion.

(b) Recreational Use. Recreational use in or on the lakes, ponds, streams, lagoons, marshes, or other wetlands will require prior written consent of the Association and/or be in accordance with the Association's Rules and Regulations; and shall be restricted to use by the owners of the Lots which are contiguous to the lakes, ponds, streams, lagoons, marshes or other wetlands (the intent here being that no one can traverse private property in order to gain entry to a waterway). Provided, only (1) manually powered boats fifteen feet (15') or less in length (including, by way of example only, sailboats, rowboats, kayaks and the like), and (2) boats fourteen feet (14') or less in length, powered by electric trolling motors may be permitted on any of the lakes or ponds within the Property, notwithstanding that all or portions of such waterway may be located within a Lot.

(c) Governmental Permits. No clearing or construction of improvements and no dredging or filling activities are permitted within the wetlands as shown on the plat of the Property or within the boundary of any recorded conservation easement. The foregoing provisions may not be amended without the prior approval of the Department of Environmental Protection, U. S. Army Corps of Engineers, the St Johns River Water Management District and any other federal, state or local agency having jurisdiction. It is the responsibility of the Lot owner, his agent, and the entity performing any activity within the wetland area to obtain the necessary permits and approvals. The St. Johns River Water Management District shall have the right to enforce, by a proceeding at law or in equity, the provisions contained in this Declaration which relate to the maintenance, operation and repair of the Surface Water or Stormwater Management System.

Section 22. Casualty Damage. In the event of damage or destruction by fire or other casualty to the improvements on any Lot, unless the improvements are completely destroyed, the Owner shall repair or rebuild such damaged or destroyed improvements in a good and workmanlike manner, within a reasonable time not to exceed one year and in accordance with the provisions of this Declaration. In all cases, all debris must be removed and the Lot restored to an orderly condition as soon as possible, but not to exceed sixty (60) days after such damage or destruction.

Section 23. Temporary Accommodations for Builders. Contractors and subcontractors who are actively engaged in the erection of any improvement on a Lot shall be entitled to locate upon such Lot, trailers and temporary buildings to maintain offices, storage and working facilities used directly in or for the construction of such improvements. Provided, however, the placement of such trailer or temporary structure shall require prior written approval of the ARB and shall be removed within thirty (30) days after the completion of such work. Abandonment of any such trailer or structure, or the location of any such trailer or structure upon any Lot beyond the actual time for construction, plus thirty (30) days, or the location thereof unrelated to construction, shall be prohibited and shall subject the Owner and any lessee or other person having legal possession thereof, to appropriate actions herein provided for violation of this Declaration, including, in addition to all costs and damages otherwise afforded hereunder, the costs for the removal of such trailer or temporary structure.

ARTICLE VIII

UTILITY EASEMENTS AND OTHER EASEMENTS

Section 1. General. Developer reserves for itself and for the Association and its designees a perpetual five foot (5') easement for the benefit of the Property upon, across, over, through and under, along and parallel to each front, side and rear Lot lines for ingress, egress, installation, replacement, repair and maintenance of the utility system, for drainage, for police powers and for services supplied by the Developer or the Association. By the virtue of this easement, it shall be expressly permissible for Developer and the Association to install and maintain facilities and equipment on the Property, to excavate for such purposes and to affix and maintain wires, circuits, pipes

and conduits on and under the Lots. This easement shall be in addition to, rather than in place of, any other recorded easements on the Property.

Section 2. Cable Television. All platted utility easements shall also be easements for the construction, installation, maintenance, and operation of cable television services, provided, however, no such construction, installation, maintenance, and operation of cable television services shall interfere with the facilities and services of an electric, telephone, gas, or other public utility.

Section 3. Common Roads. Each Owner of a Lot, his successors and assigns, domestic help, delivery, pickup and fire protection services, police and other authorities of the law, United States mail carriers, representatives of utilities serving the Property, holders of mortgage liens on the Property and such other persons as the Developer and/or the Association shall designate, are hereby granted a perpetual non-exclusive easement for ingress and egress over the Common Roads. It is hereby acknowledged that the Developer shall have an easement over the Common Roads for the purpose of ingress and egress. The Developer and Association shall have the unrestricted and absolute right to deny ingress to any person who, in the opinion of the Developer or the Association, may create or participate in a disturbance or nuisance on any part of the Property; provided that, the Developer or Association shall not deny an Owner or Mortgagee the right of ingress and egress to any portion of the Property owned by such Owner (or) mortgaged in favor of such Mortgagee. The Developer and the Association shall have (a) the right to adopt reasonable rules and regulations pertaining to the use of the Common Roads; (b) the right, but not obligation, from time to time, to control and regulate all types of traffic on the Common Roads, including the installation of gate houses and gate systems, if the Developer or Association so elects. The Developer and the Association shall have the right but no obligation to control speeding and impose speeding fines to be collected by the Association in the manner provided for assessments and to prohibit use of the Common Roads by traffic or vehicles (including without limitation "go-carts" and three wheeled vehicles), which in the opinion of Developer or the Association would or might result in damage to the Common Roads or create a nuisance for the residents; (c) the right, but no obligation, to control and prohibit parking on all or any part of the Common Roads; and (d) the right, but no obligation, to remove or require the removal of any fence, wall, hedge, shrub, bush, tree or other thing, natural or artificial placed or located on the Property, if the location of the same will in the opinion of the Developer or the Association obstruct the vision of a motorist. The Developer reserves the sole and absolute right at any time to redesignate, relocate, or close any part of the Common Roads without the consent or joinder of any Owner or Mortgagee so long as no Owner or his Mortgagee is denied reasonable access from his Lot to a public roadway by such redesignation, relocation or closure. In such event, the foregoing easement over the Common Road shall terminate and the Association shall reconvey the Common Road to the Developer at the Developer's request.

Section 4. Lakes. Developer hereby reserves for itself, the Association and the Owners a perpetual easement over and under all lakes within the Property and upon all Lake Lots to the extent reflected on the Plat for drainage of surface and storm waters.

ARTICLE IX

GENERAL PROVISIONS

Section 1. Condemnation of Common Area. In the event all or part of the Common Areas owned by the Association shall be taken or condemned by any authority having the power of eminent domain, all compensation and damages shall be paid to the Association. The Board of Directors shall have the sole and exclusive right to act on behalf of the Association with respect to the negotiation and litigation of the taking or condemnation affecting such property.

Section 2. Notice. Any notice required to be sent to the Owner of any Lot under the provisions of this Declaration shall be deemed to have been properly sent when mailed, first-class postage prepaid, or hand delivered to the last known address of the person who appears as Owner of such Lot on the records of the Association at the time of such

mailing.

Section 3. Construction. The provisions of this Declaration shall be liberally construed to effectuate their purpose of creating a uniform consistent plan for the development and use of the Property.

Section 4. Gender. The use of the masculine gender herein shall be deemed to include the feminine gender and the use of the singular shall be deemed to include the plural, wherever the context so requires.

Section 5. Amendment.

(a) Developer specifically reserves the absolute and unconditional right, so long as it owns any of the Property, to amend this Declaration without the consent of joinder of any party to (i) conform to the requirements of the Federal Home Loan Mortgage Association, Federal National Mortgage Association or any other generally recognized institution involved in the purchase and sale of home loan mortgages, (ii) to conform to the requirement of the Federal Housing Administration or the Veterans Administration, (iii) to conform to the requirements of institutional mortgage lender(s) or title insurance company(s), or (iv) to perfect, clarify or make internally consistent the provisions herein contained.

(b) Developer reserves the right to amend this Declaration in any other manner without the joinder of any party until the termination of Class B membership so long as (i) the voting power of existing Members is not diluted thereby, (ii) the assessments of existing Owners are not increased except as may be expressly provided for herein, and (iii) no Owner's right to the use and enjoyment of his Lot or the Common Areas is materially altered thereby.

(c) In addition to the foregoing rights of Developer, the Association, with consent of seventy-five percent (75%) or more of class of votes entitled to be cast in accordance with this Declaration, may amend this Declaration, which amendment shall be effective upon its recording in the current public records of St. Johns County.

(d) Any amendment to the Covenants and Restrictions which alter the Surface Water or Stormwater Management System, beyond maintenance in its original condition, including the water management portions of the common areas, must have the prior approval of the St. Johns Water Management District.

Section 6 Transfer of Developer's Rights. The Developer shall have the sole and exclusive right at any time to transfer and assign to any person or entity it shall select, any or all rights, powers, or privileges, given to or reserved by Developer by any part or paragraph of this Declaration and under the provisions of the recorded plat of the Property.

Section 7. Developer's Rights. Notwithstanding any other term or condition of this Declaration, the Developer shall have the right to transact upon the Property, any business necessary to effect the sale of Lots, including without limitation, the right to maintain model homes, have signs and locate a Sales Trailer on the Property.

Section 8. Conflict. In the event of any conflict among this Declaration and the Association Articles and ByLaws, this Declaration shall control.

Section 9. Term. The covenants and restrictions of this Declaration, as amended and added to from time to time shall be covenants and restrictions running with the title to the Property and shall remain in full force and effect until the first day of January, A. D., 2029, and thereafter, these covenants and restrictions shall be automatically extended for successive periods of 25 years each unless within six months prior to the first day of July, A. D., 2029 or within six months preceding the end of any 25 year period as the case may be, a written agreement terminating the covenants and restrictions executed by the then owners of 90% of the Lots shall be placed on record in the Office of the Clerk of the Circuit Court of St. Johns County, Florida. Provided the covenants and restrictions and

easements in Article VIII, shall be perpetual, unless released or terminated by the governmental agency or agencies in whose favor they run.

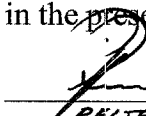
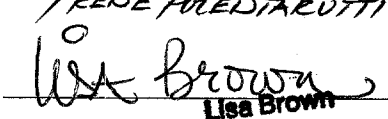
Section 10. Enforcement. If any person or entity shall violate or attempt to violate any of the provisions of this Declaration, it shall be lawful for the Developer, any Owner, or the Association to (i) institute proceedings at law for the recovery of damages or (ii) maintain a proceeding in equity for the purpose of preventing, or for the enjoining of, all or any such violations or attempted violations. Failure by the Association, Developer or any Owner to enforce any provision of this Declaration shall not at any time be deemed a waiver or estoppel of the right to enforce the same thereafter. Any person or persons, including, without limitation, the Association, Developer or any Owner having rights hereunder who shall bring an action to enforce any provision of this Declaration, shall in addition to injunctive relief and damages for the breach or violation of any provision hereunder, be entitled to recover reasonable attorneys' fees and all costs incurred in the investigation preliminary to the institution of proceedings, as well as the cost of institution and prosecution of such proceedings through the entry of judgment and any successful appeal's therefrom. The St. Johns River Water Management District or other governmental agency having jurisdiction, shall have the right to enforce by proceedings at law or in equity, the provisions of this Declaration dealing with the Surface Water or Storm Water Management System.

Section 11. Severability. If any covenant or restriction herein contained or any Article, Section, Subsection, clause, phrase or term of this Declaration be declared void, invalid, illegal or unenforceable for any reason whatsoever by adjudication by any Court or other tribunal having jurisdiction over the parties and/or the subject matter hereof, such judgment shall in no way void or affect any other provisions, which shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned Developer has caused this Declaration of Covenants and Restrictions to be executed in its name on the day and year first above written.

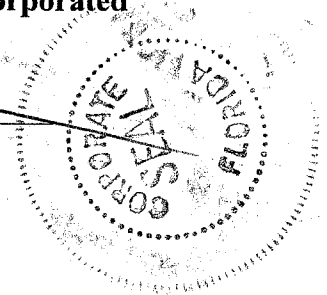
Signed, sealed and delivered
in the presence of:

American Investment Associates Incorporated


RENE PINEDA RUTTI

Lisa Brown

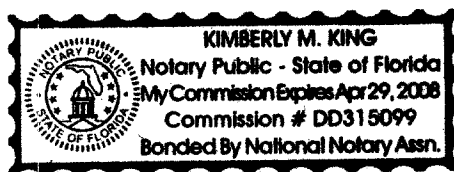
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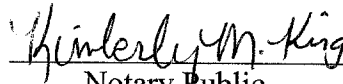

Allen C.D. Scott, II
President



STATE OF FLORIDA
COUNTY OF ST. JOHNS

The foregoing instrument was acknowledged before me this 27th day of August, 2004, by Allen C.D. Scott, II, the President of American Investment Associates Incorporated, a Florida Corporation, who is personally known to me and who did not take an oath.




Notary Public

CONSENT AND JOINDER OF MORTGAGEE

The undersigned, FIRST NATIONAL BANK OF ALACHUA, being the owner and holder of mortgages on that certain property more particularly described in Exhibit "A" attached hereto, said mortgages being first mortgage recorded February 3, 2003, at O.R. Book 1891, page 1, of the public records of St. Johns County, Florida; and second mortgage recorded December 19, 2003, at O.R. Book 2108, page 1601, of the public records of St. Johns County, Florida, does hereby consent to and join in the above and foregoing Declaration of Covenants and Restrictions.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 27 day of August, 2004.

**SIGNED, SEALED AND DELIVERED
IN OUR PRESENCE:**

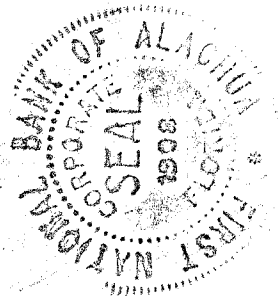
FIRST NATIONAL BANK OF ALACHUA

Elaine M Hart
Elaine M Hart
(Print/type name of witness)

By: Ed M Klipstine
Edwin M Klipstine
(Print/type name)

Melanie Morrison
Melanie Morrison
(Print/type name of witness)

Its Sr. Vice President
(Print/type office)



**STATE OF FLORIDA
COUNTY OF ST. JOHNS**

BEFORE ME personally appeared E.M. Klipstine to me well known to be the Sr Vice President (office/position held) of First National Bank of Alachua, organized and existing under the laws of the State of Florida, the lender named in the foregoing instrument, [X] personally known to me, or [] produced _____ as identification, who as such officer of said bank executed the same; then and there he did acknowledge before me that said instrument is the free act and deed of said bank by him executed as such officer for the purposes therein expressed; that the seal thereunto attached is the seal by him in like capacity affixed; all under authority in him duly vested.

WITNESS my hand and official seal this 27th day of August, 2004.

Elaine M Hart
Printed name: Elaine M Hart
Commission Number DD 031592
My commission expires 6/17/05

ELAINE M. HART
Notary Public, State of Florida
My comm. exp. June 17, 2005
Comm. No. DD 031592

EXHIBIT "A"
 LEGAL DESCRIPTION
 PRAIRIE LAKES, PHASE 1

A PARCEL OF LAND LYING IN SECTION 28 AND 33, TOWNSHIP 7 SOUTH, RANGE 29 EAST, ST. JOHNS COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A 4"X4" CONCRETE MONUMENT MARKING THE QUARTER SECTION CORNER OF THE SOUTH LINE OF SAID SECTION 33; THENCE NORTH 02°32'26" WEST ALONG THE QUARTER SECTION LINE, A DISTANCE OF 2,639.17 FEET TO THE INTERSECTION WITH THE PROPORTIONED EAST-WEST QUARTER SECTION LINE AS PROPORTIONED FROM THE GOVERNMENT LAND OFFICE TOWNSHIP PLAT FOR SAID TOWNSHIP 7 SOUTH, SAID LINE ALSO BEING THE SOUTH LINE OF GOVERNMENT LOT 6; THENCE SOUTH 89°38'27" WEST ALONG SAID QUARTER SECTION LINE, A DISTANCE OF 1,320.49 FEET TO THE SOUTHEAST CORNER OF GOVERNMENT LOT 5; THENCE NORTH 02°22'06" WEST, A DISTANCE OF 1,292.43 FEET; THENCE NORTH 87°26'49" EAST, A DISTANCE OF 200.00 FEET TO THE POINT OF BEGINNING;

THENCE NORTH 02°22'06" WEST, A DISTANCE OF 319.65 FEET; THENCE NORTH 88°02'27" EAST, A DISTANCE OF 60.54 FEET TO A POINT OF CURVATURE, SAID CURVE BEING CONCAVE NORTHWESTERLY AND HAVING A RADIUS OF 140.00 FEET; THENCE NORTHEASTERLY ALONG THE ARC OF SAID CURVE 219.91 FEET THROUGH A CENTRAL ANGLE OF 90°00'00" TO THE POINT OF TANGENCY, SAID CURVE BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF NORTH 43°02'27" EAST, 197.99 FEET; THENCE NORTH 01°57'33" WEST, A DISTANCE OF 401.92 FEET TO A POINT OF CURVATURE, SAID CURVE BEING CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 30.00 FEET; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE 47.12 FEET THROUGH A CENTRAL ANGLE OF 90°00'00" TO THE POINT OF TANGENCY, SAID CURVE BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF NORTH 46°57'33" WEST, 42.43 FEET; THENCE NORTH 01°57'33" WEST, A DISTANCE OF 60.00 FEET TO A POINT ON A CURVE, SAID CURVE BEING CONCAVE NORTHWESTERLY AND HAVING A RADIUS OF 30.00 FEET; THENCE NORTHEASTERLY ALONG THE ARC OF SAID CURVE 47.12 FEET THROUGH A CENTRAL ANGLE OF 90°00'00" TO THE POINT OF TANGENCY, SAID CURVE BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF NORTH 43°02'27" EAST, 42.43 FEET; THENCE NORTH 01°57'33" WEST, A DISTANCE OF 49.17 FEET TO A POINT OF CURVATURE, SAID CURVE BEING CONCAVE WESTERLY AND HAVING A RADIUS OF 1,710.00 FEET; THENCE NORTHERLY ALONG THE ARC OF SAID CURVE 79.91 FEET THROUGH A CENTRAL ANGLE OF 02°40'39", SAID CURVE BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF NORTH 03°17'53" WEST, 79.91 FEET; THENCE SOUTH 88°02'27" WEST, A DISTANCE OF 283.13 FEET; THENCE NORTH 46°54'57" WEST, A DISTANCE OF 87.22 FEET; THENCE NORTH 02°22'06" WEST, A DISTANCE OF 338.29 FEET; THENCE NORTH 88°02'27" EAST, A DISTANCE OF 283.57 FEET; THENCE NORTH 14°46'17" WEST, A DISTANCE OF 359.22 FEET TO A POINT OF CURVATURE, SAID CURVE BEING CONCAVE EASTERLY AND HAVING A RADIUS OF 1770.00 FEET; THENCE NORTHERLY ALONG THE ARC OF SAID CURVE 175.75 FEET THROUGH A CENTRAL ANGLE OF 05°41'21", SAID CURVE BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF NORTH 11°55'37" WEST, 175.68 FEET; THENCE SOUTH 88°02'27" WEST, A DISTANCE OF 177.24 FEET; THENCE NORTH 02°22'06" WEST, A DISTANCE OF 209.79 FEET; THENCE NORTH 01°39'12" WEST, A DISTANCE OF 173.92 FEET; THENCE NORTH 82°47'55" EAST, A DISTANCE OF 165.78 FEET; THENCE NORTH 01°39'12" WEST, A DISTANCE OF 437.67 FEET; THENCE NORTH 82°48'24" EAST, A DISTANCE OF 60.28 FEET; THENCE SOUTH 01°39'12" EAST, A DISTANCE OF 437.66 FEET; THENCE NORTH 82°47'55" EAST, A DISTANCE OF 261.50 FEET; THENCE SOUTH 24°14'44" EAST, A DISTANCE OF 187.06 FEET; THENCE SOUTH 63°04'17" EAST, A DISTANCE OF 74.21 FEET; THENCE SOUTH 04°50'19" EAST, A DISTANCE OF 687.32 FEET; THENCE SOUTH 16°07'46" EAST, A DISTANCE OF 355.81 FEET; THENCE SOUTH 12°44'49" EAST, A DISTANCE OF 362.82 FEET; THENCE SOUTH 48°44'49" EAST, A DISTANCE OF 334.56 FEET; THENCE SOUTH 28°54'12" EAST, A DISTANCE OF 92.19 FEET; THENCE SOUTH 09°44'10" EAST, A DISTANCE OF 100.36 FEET; THENCE SOUTH 87°58'45" WEST, A DISTANCE OF 696.90 FEET TO A POINT ON A CURVE, SAID CURVE BEING CONCAVE NORTHWESTERLY AND HAVING A RADIUS OF 200.00 FEET; THENCE SOUTHERLY ALONG THE ARC OF SAID CURVE 155.71 FEET THROUGH A CENTRAL ANGLE OF 44°36'26" TO A POINT ON A CURVE, SAID CURVE BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF SOUTH 21°58'33" WEST, 151.81 FEET; THENCE SOUTH 45°16'13" EAST, A DISTANCE OF 373.63 FEET; THENCE SOUTH 02°35'35" EAST, A DISTANCE OF 38.63 FEET; THENCE SOUTH 87°26'49" WEST, A DISTANCE OF 453.33 FEET TO THE POINT OF BEGINNING.

CONTAINING 1,259,805 SQUARE FEET OR 28.92 ACRES, MORE OR LESS.

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This instrument prepared
by and return to:
Scott & Sheppard, P.A.
99 Orange Street
St. Augustine, Florida 32084
(904) 825-0995

**FIRST AMENDMENT TO
DECLARATION OF COVENANTS AND RESTRICTIONS**

FOR

PRAIRIE LAKES

THIS FIRST AMENDMENT TO DECLARATION is made this 6TH day of JANUARY, 2005, by American Investment Associates Incorporated, a Florida Corporation, hereinafter called "Developer".

RECITALS

- A. Developer is the owner of that certain real property (the "Phase 2 Property") located in St. Johns County, Florida, and more particularly described in Exhibit "A" attached hereto and made a part hereof.
- B. It is the intention and desire of Developer to develop the Phase 2 Property as a residential community. Homes within the Phase 2 Property shall be single-family dwellings and shall be developed and maintained as part of a residential development of superior quality, architectural design and condition.
- C. Developer desires to maintain the beauty of the Phase 2 Property, to assure high-quality standards for the enjoyment of the Phase 2 Property, and to promote the health, safety and social welfare of each owner of a portion of the Phase 2 Property. To provide for the preservation, enhancement and maintenance of the Phase 2 Property and the improvements thereon, Declarant desires to subject the Phase 2 Property to the covenants, restrictions, easements charges and liens of that certain Declaration of Covenants and Restrictions for Prairie Lakes dated August 27, 2004, and recorded August 27, 2004, in Official Records Book 2269, page 1162 of the public records of St. Johns County, Florida, each and all of which is and are for the benefit of the Phase 2 Property and each owner of a portion hereof.

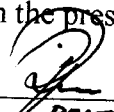
DECLARATION

NOW, THEREFORE, Developer hereby declares that the Phase 2 Property shall be held, sold and conveyed subject to the easements, restrictions, covenants, limitations and conditions set forth in the Declaration of Covenants and Restrictions for Prairie Lakes dated August 27, 2004, and recorded August 27, 2004, in Official Records Book 2269, page 1162 of the public records of St. Johns County, Florida, which covenants and restrictions are for the purpose of protecting the value and desirability of the Phase 2 Property and which shall run with the title to the Phase 2 Property and shall be binding upon all parties having any right, title or interest in the Phase 2 Property or any part thereof and their respective heirs, successors and assigns, and which shall inure to the benefit of each Owner thereof, including Developer.

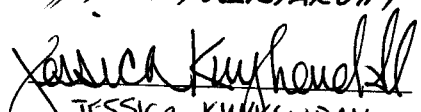
IN WITNESS WHEREOF, the undersigned Developer has caused this Declaration of Covenants and Restrictions to be executed in its name on the day and year first above written.

Signed, sealed and delivered
in the presence of:

American Investment Associates Incorporated

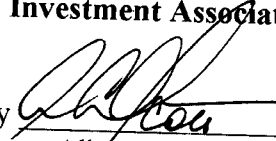


PETER PORENTAROFF



JESSICA KUYKENDALL

STATE OF FLORIDA
COUNTY OF ST. JOHNS

By 

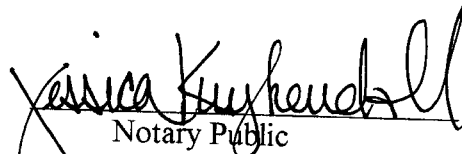
Allen C.D. Scott, II
President

99 ORANGE ST.
ST. AUGUSTINE FL 32084

The foregoing instrument was acknowledged before me this 16 day of January, 2004, by Allen C.D. Scott, II, the President of American Investment Associates Incorporated, a Florida Corporation, who is personally known to me and who did not take an oath.



Jessica Kuykendall
MY COMMISSION # DD299931 EXPIRES
March 14, 2008
BONDED THRU TROY FAIN INSURANCE, INC.



Notary Public

EXHIBIT "A" -- PHASE 2 PROPERTY

CAPTION

A PARCEL OF LAND LYING IN SECTION 33, TOWNSHIP 7 SOUTH, RANGE 29 EAST, ST. JOHNS COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A 4"x4" CONCRETE MONUMENT MARKING THE QUARTER SECTION CORNER OF THE SOUTH LINE OF SAID SECTION 33; THENCE NORTH 02°32'26" WEST ALONG THE QUARTER SECTION LINE, A DISTANCE OF 2,639.17 FEET TO THE INTERSECTION WITH THE PROPORTIONED EAST-WEST QUARTER SECTION LINE AS PROPORTIONED FROM THE GOVERNMENT LAND OFFICE TOWNSHIP PLAT FOR SAID TOWNSHIP 7 SOUTH, SAID LINE ALSO BEING THE SOUTH LINE OF GOVERNMENT LOT 6; THENCE SOUTH 89°38'27" WEST ALONG SAID QUARTER SECTION LINE, A DISTANCE OF 1,320.49 FEET TO THE SOUTHEAST CORNER OF GOVERNMENT LOT 5; THENCE NORTH 02°22'06" WEST, A DISTANCE OF 1,292.43 FEET; THENCE NORTH 87°26'49" EAST, A DISTANCE OF 200.00 FEET TO THE SOUTHWEST CORNER OF LOT 35, PRAIRIE LAKES PHASE 1, AS RECORDED IN MAP BOOK 51, PAGES 70 THROUGH 74 OF THE PUBLIC RECORDS OF ST. JOHNS COUNTY, FLORIDA; THENCE NORTH 02°22'06" WEST, ALONG THE WESTERLY LINE OF SAID LOT 35, A DISTANCE OF 259.65 FEET TO A POINT ON THE SOUTHWESTERLY CORNER OF N. PRAIRIE LAKES DRIVE (A 60 FOOT WIDTH RIGHT OF WAY AS NOW ESTABLISHED) AS RECORDED IN SAID PRAIRIE LAKES PHASE 1 AND THE POINT OF BEGINNING;

THENCE SOUTH 88°02'27" WEST, A DISTANCE OF 179.79 FEET TO A POINT OF CURVATURE OF A CURVE BEING CONCAVE SOUTHEASTERLY AND HAVING A RADIUS OF 30.00 FEET; THENCE SOUTHWESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 90°24'33" AN ARC LENGTH OF 47.34 FEET TO THE POINT OF TANGENCY, SAID CURVE BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF SOUTH 42°50'11" WEST, 42.58 FEET; THENCE SOUTH 88°27'00" WEST, A DISTANCE OF 60.00 FEET TO A POINT ON A CURVE SAID BEING CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 30.00 FEET; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 89°35'27" AN ARC DISTANCE OF 46.91 FEET, SAID CURVE BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF NORTH 47°09'49" WEST, 42.27 FEET; THENCE SOUTH 88°02'27" WEST, A DISTANCE OF 368.24 FEET TO A POINT OF CURVATURE SAID CURVE BEING CONCAVE SOUTHEASTERLY AND HAVING A RADIUS OF 30.00 FEET; THENCE SOUTHWESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 70°31'44" AN ARC LENGTH OF 36.93 FEET, SAID CURVE BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF SOUTH 52°46'35" WEST, 34.64 FEET TO A POINT OF REVERSE CURVATURE SAID CURVE BEING CONCAVE NORTHWESTERLY AND HAVING A RADIUS OF 60.00 FEET; THENCE SOUTHWESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 81°35'36" AN ARC DISTANCE OF 85.44 FEET, SAID CURVE BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF SOUTH 58°18'31" WEST, 78.41 FEET; THENCE SOUTH 09°06'19" WEST, A DISTANCE OF 223.09 FEET; THENCE SOUTH 87°37'54" WEST, A DISTANCE OF 198.67 FEET TO A POINT ON THE EASTERLY RIGHT OF WAY LINE OF INTERSTATE 95, A 300.00 FOOT WIDTH RIGHT OF WAY AS NOW ESTABLISHED, SAID POINT ALSO BEING A POINT ON A CURVE SAID CURVE BEING CONCAVE EASTERLY AND HAVING A RADIUS OF 11,309.16 FEET; THENCE NORTHERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 00°06'29" AN ARC DISTANCE OF 21.35 FEET TO THE POINT OF TANGENCY, SAID CURVE BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF NORTH 15°16'55" WEST, 21.35 FEET; THENCE NORTH 15°13'40" WEST ALONG SAID EASTERLY RIGHT OF WAY LINE, A DISTANCE OF 1,203.65 FEET; THENCE NORTH 88°03'28" EAST DEPARTING SAID EASTERLY RIGHT OF WAY LINE, A DISTANCE OF 1,140.54 FEET TO THE WESTERLY LINE OF LOT 12 OF SAID PRAIRIE LAKES PHASE 1; THENCE SOUTH 46°54'57" EAST, CONTINUING ALONG SAID WESTERLY LINE OF LOT 12, A DISTANCE OF 87.22 FEET TO THE SOUTHWESTERLY CORNER OF SAID LOT 12; THENCE NORTH 88°02'27" EAST ALONG THE SOUTHERLY LINE OF SAID LOT 12, A DISTANCE OF 283.13 FEET TO A POINT ON THE WESTERLY RIGHT OF WAY LINE OF SAID N. PRAIRIE LAKES DRIVE AND A POINT ON A CURVE SAID CURVE BEING CONCAVE WESTERLY AND HAVING A RADIUS OF 1,710.00 FEET; THENCE SOUTHERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 02°40'39" AN ARC DISTANCE OF 79.91 FEET, SAID CURVE BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF SOUTH 03°17'53" EAST, 79.91 FEET; THENCE SOUTH 01°57'33" EAST, CONTINUING ALONG SAID WESTERLY RIGHT OF WAY LINE, A DISTANCE OF 49.17 FEET TO A POINT OF CURVATURE SAID CURVE BEING CONCAVE NORTHWESTERLY AND HAVING A RADIUS OF 30.00 FEET; THENCE SOUTHWESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 90°00'00" AN ARC LENGTH OF 47.12 FEET TO THE POINT OF TANGENCY, SAID CURVE BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF SOUTH 43°02'27" WEST, 42.43 FEET; THENCE SOUTH 01°57'33" EAST, CONTINUING ALONG SAID WESTERLY RIGHT OF WAY LINE, A DISTANCE OF 60.00 FEET TO A POINT ON A CURVE SAID CURVE BEING CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 30.00 FEET; THENCE SOUTHEASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 90°00'00" AN ARC DISTANCE OF 47.12 FEET, SAID CURVE BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF SOUTH 46°57'33" EAST, 42.43 FEET TO THE POINT OF TANGENCY; THENCE SOUTH 01°57'33" EAST, CONTINUING ALONG SAID WESTERLY RIGHT OF WAY LINE, A DISTANCE OF 401.92 FEET TO A POINT OF CURVATURE SAID CURVE BEING CONCAVE NORTHWESTERLY AND HAVING A RADIUS OF 140.00 FEET; THENCE SOUTHWESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 90°00'00" AN ARC LENGTH OF 219.91 FEET TO A POINT ON THE NORTHERLY RIGHT OF WAY LINE OF SAID N. PRAIRIE LAKES DRIVE, SAID CURVE BEING SUBTENDED BY A CHORD BEARING AND DISTANCE OF SOUTH 43°02'27" WEST, 197.99 FEET; THENCE SOUTH 88°02'27" WEST, ALONG SAID NORTHERLY RIGHT OF WAY LINE, A DISTANCE OF 60.54 FEET; THENCE SOUTH 02°22'06" EAST, ALONG THE WESTERLY LINE OF SAID PRAIRIE LAKES PHASE 1, A DISTANCE OF 60.00 FEET TO THE POINT OF BEGINNING.

CONTAINING 1,298,820 SQUARE FEET OR 29.82 ACRES, MORE OR LESS.