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THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR PALMETTO COVE ("Declaration" as defined hereinafter) is made on the date hereinafter set forth by KB HOME TAMPA, LLC, a Delaware limited liability company (the "Declarant"), and its successors, assigns and designees.

WITNESSETH:

WHEREAS, Declarant is the owner of the real property described in Article II of this Declaration and desires to create thereon an exclusive residential community known as Palmetto Cove (hereinafter referred to as the "Community"); and

WHEREAS, Declarant desires to insure the attractiveness of the individual lots and facilities within the Community and to prevent any future impairment thereof, to prevent nuisances, to preserve, protect and enhance the values and amenities of the subject property, and to provide for the maintenance of Community common properties, areas and facilities and certain exterior maintenance on Homes and Lots as may be defined hereinafter, and, to this end, desires to subject the real property described in Article II of this Declaration to the covenants, conditions, restrictions, easements, charges and liens hereinafter set forth, each and all of which is and are for the benefit of said property and each Homeowner thereof; and

WHEREAS, Declarant has deemed it desirable, for the efficient preservation, protection and enhancement of the values and amenities in the Community and to insure the residents' enjoyment of the specific rights, privileges and easements in the Community common properties, areas and facilities, to create an organization to which should be delegated and assigned the powers of owning, maintaining and administering the Community common properties, areas and facilities and administering and enforcing the covenants and restrictions and collecting and disbursing the assessments and charges hereinafter created; and

WHEREAS, Declarant has incorporated under the laws of the State of Florida, as a corporation not for profit, PALMETTO COVE COMMUNITY ASSOCIATION, INC., for the purpose of exercising the functions aforesaid within the Community;

NOW, THEREFORE, Declarant declares that the real property described in Article II of this Declaration is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, conditions, restrictions, easements, charges and liens (sometimes collectively referred to as "covenants and restrictions") hereinafter set forth.

Article I: Definitions and Construction

Unless the context expressly requires otherwise, the following terms mean as follows wherever used in this Declaration:

1.1 "Act" means Chapter 720, Florida Statutes, as existing on the date of recordation of this Declaration.

1.2 "ARC" means the Architectural Review Committee established pursuant to Article IV hereof.

1.3 "Articles of Incorporation" or "Articles" means the Articles of Incorporation of the Community Association, as may be amended from time to time. A copy of the Articles of Incorporation as filed with the Florida Department of State is attached as Exhibit B hereto. Any future amendments to the original Articles need not be recorded in the public records of the County.

1.4 "Board" or "Board of Directors" means the Community Association's board of directors.

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1.5 "By-Laws" means the By-Laws of the Community Association as may be amended from time to time. A copy of the original By-Laws is attached as Exhibit C hereto. Any future amendments to the original By-Laws need not be recorded in the public records of the County.

1.6 "Common Expenses" means all expenses properly incurred by the Community Association in the performance of its duties pursuant to this Declaration, the Articles, the By-Laws or any rules promulgated thereunder, or any agreement properly entered into by the Community Association, including, but not limited to, (a) the expenses incurred in connection with the ownership, maintenance, repair, replacement, reconstruction or improvement of the Common Property and/or real property held in title by the Community Association, if any, as provided for pursuant to this Declaration (which expenses may, but shall not necessarily, include utilities, taxes, assessments, insurance and repairs); (b) the expenses of obtaining, repairing or replacing personal property owned by the Community Association; (c) the expenses incurred in the administration and management of the Community Association; and (d) the expenses declared to be Common Expenses pursuant to this Declaration or the Articles or the By-Laws.

1.7 "Common Property" or "Common Properties" mean any portion or portions of the Property now or hereafter owned by the Community Association or designated herein or on the plat of the Property as recorded in Plat Book 111, Pages 7-9, inclusive, public records of the County, as from time to time may be amended (collectively, "Plat"), as either Common Property or property to be maintained by the Community Association (whether or not such property is part of a dedicated right-of-way or easement). "Common Property" shall include, but shall not be limited to, (a) any landscaping in any median or cul-de-sac island located in any right-of-way as shown on the Plat (whether or not these areas are indicated as common areas), (b) any lake areas for which the Community Association has maintenance responsibility and for which the costs thereof shall be shared by the Homeowners and certain owners of adjacent real property pursuant to separate agreement, (c) all portions of the Surface Water Drainage and Management System, as defined hereinafter (including dedicated lake tracts, lake maintenance or drainage easements, and corresponding infrastructure) and irrigation system (whether or not located on a Lot) which serve the Community, (d) any property designated by Declarant as Common Property elsewhere in this Declaration or in any amendment or supplement to this Declaration, and (e) utility easements or tracts for corresponding sewer or potable water. The Common Properties do not include any portion of a Lot. NOTWITHSTANDING ANYTHING HEREIN CONTAINED TO THE CONTRARY, THE DEFINITION OF "COMMON PROPERTIES" AS SET FORTH IN THIS DECLARATION IS FOR DESCRIPTIVE PURPOSES ONLY AND SHALL IN NO WAY BIND, OBLIGATE OR LIMIT DECLARANT TO CONSTRUCT OR SUPPLY ANY SUCH ITEM AS SET FORTH IN SUCH DESCRIPTION. FURTHER, NO PARTY SHALL BE ENTITLED TO RELY UPON SUCH DESCRIPTION AS A REPRESENTATION OR WARRANTY AS TO THE EXTENT OF THE COMMON PROPERTIES TO BE OWNED, LEASED BY OR DEDICATED TO THE COMMUNITY ASSOCIATION, EXCEPT AFTER CONSTRUCTION AND DEDICATION OR CONVEYANCE OF ANY SUCH ITEM.

1.8 "Community" means the planned community development project known as Palmetto Cove.

1.9 "Community Association" means Palmetto Cove Community Association, Inc., a Florida corporation not for profit, organized or to be organized under Chapter 617, Florida Statutes, and the Act.

1.10 "County" means Hillsborough County, Florida.

1.11 "Declaration" means this instrument, as may be amended from time to time.

1.12 "Declarant" means KB Home Tampa, LLC, a Delaware limited liability company, and its successors, assigns and designees.

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1.13 "Family" means one or more persons each related to the other by blood, marriage, or legal adoption, or a group of not more than three (3) persons not all so related, together with domestic servants if any, maintaining a common household in a Home.

1.14 "First Mortgage" means a valid Mortgage (as defined hereinafter) having priority over all other mortgages on the same property.

1.15 "First Mortgagee" means the holder of a recorded First Mortgage encumbering a Lot and the Home thereon, if any.

1.16 "Home" means a residential housing unit or dwelling consisting of a group of rooms which are designed or intended for the exclusive use as living quarters for one Family as constructed by the Declarant upon a Lot.

1.17 "Homeowner" means any person who from time to time holds record title to any Lot. If more than one person holds such title, all such persons are Homeowners, jointly and severally. The Declarant is a Homeowner with respect to each Lot from time to time owned by such Declarant.

1.18 "Lot" means each numbered lot as established by the recorded Plat of the Property.

1.19 "Member" means a member of the Community Association.

1.20 "Mortgage" means any valid instrument transferring any interest in real property as security for the performance of an obligation.

1.21 "Person" means any natural person or artificial entity having legal capacity.

1.22 "Property" means the real property described in Article II of this Declaration.

1.23 "Resident" means a permanent occupant of a Home who is not a Homeowner, but occupies the Home pursuant to a lease or other formalized arrangement with such Homeowner pursuant to the terms of this Declaration, including all approvals required herein.

1.24 "Rules and Regulations" means any rules and regulations pertaining to the Community as duly promulgated by the Community Association.

1.25 "Work" means the development of all or any portion of the Property as a residential community by Declarant's construction and installation of streets, dwellings, buildings, or other improvements and the sale or other disposition of the Property and improvements thereon in parcels or as completed Lots or Homes.

1.26 "WMD" means the Southwest Florida Water Management District, the governmental entity created to oversee certain water management requirements in connection with the Property, among others.

1.27 "WMD Permit" means Southwest Florida Water Management District Permit No. 44028089.000, a copy of which is contained in Exhibit D attached hereto and made a part hereof.

The term "Article" and the term "Paragraph" where used throughout this Declaration shall mean the same, unless the context requires otherwise.

The term "Section" where used throughout this Declaration shall refer to that portion of the Article indicated, unless the context requires otherwise.

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Unless the context expressly requires otherwise: (i) the use of the singular includes the plural and vice versa; (ii) the use of one gender includes all genders; (iii) the use of the terms "including" or "include" is without limitation; (iv) the use of the term "Lot" includes any portion applicable to the context thereof, any and all improvements, fixtures, trees, vegetation, and other property from time to time situated thereon, and any and all appurtenant rights, unless the context otherwise dictates; and (v) the words "must," "should," and "will" have the same legal effect as the word "shall." This Declaration should be interpreted, construed, applied, and enforced in a reasonable, practical manner to effectuate its purpose of protecting and enhancing the value, marketability, and desirability of the Lots by providing a common plan for their development and enjoyment. The various headings used in this Declaration are for indexing and organizational purposes only and are not to be used to interpret, construe, apply, or enforce its substantive provisions.

Article II: Property Subject to this Declaration: General Plan of Development

The real property which is, and shall be, held, transferred, sold, conveyed, and occupied subject to this Declaration is located in Hillsborough County, State of Florida, and is more particularly described in the metes and bounds description attached hereto as Exhibit A and incorporated by reference as fully as if specifically repeated herein, and all of which real property shall hereinafter be referred to as "Property."

Article III: Property Rights, Easements and Restrictions

3.1 Appurtenances. The benefit of all rights and easements granted by this Article constitute a permanent appurtenance to, and will pass with, the title to every Lot enjoying such benefit. Whenever any such right or easement is described as non-exclusive by this Article, its benefit nevertheless is exclusive to all Lots granted such benefit by this Article unless this Article expressly grants such benefit to other persons. In no event will the benefit of any such easement extend to the general public.

3.2 Utility Easements. Declarant has identified areas for use by all utilities for the construction and maintenance of their respective facilities servicing the Property, and Declarant hereby grants to such utilities, jointly and severally, easements for such purpose. The location and extent of such easements are as shown on the Plat (recorded or to be recorded) of the Property or such other instrument defining them. In addition to the above, Declarant hereby reserves unto itself and its successors and assigns an easement over, under, across and through the Common Property as may be required for the construction, maintenance and operation of a two-way communication and monitored access control system. Such utilities, as well as Declarant, and their respective agents, employees, designees and assigns shall have full rights of ingress and egress over any Lot for all activities appropriately associated with the purposes of said easements. Furthermore, Declarant hereby grants to the County and any other governmental entities having appropriate jurisdiction over the Property an easement over, under, across and through the Common Property as may be required for the construction, maintenance and operation of certain utility services.

3.3 Common Properties. Subject to the provisions of Section 3.3.1 below, every Homeowner shall have a non-exclusive right and easement of enjoyment in and to the Common Properties, if any, and such easement shall be appurtenant to and shall pass with the title to every Home situated within the Community.

3.3.1 Extent of Members' Easement. The rights and easements of enjoyment created herein shall be subject to the following:

3.3.1.1 the right of the Community Association to limit the use of the Common Properties to Homeowners, their families and guests;

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3.3.1.2 the right of the Community Association to suspend the voting and enjoyment rights of a Homeowner for any period during which any Assessment against his Lot remains overdue and unpaid, or for any infraction of the Rules and Regulations;

3.3.1.3 the right of the Community Association to dedicate or transfer all or any part of the Common Property to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Homeowners. No such dedication or transfer shall be effective unless the Members entitled to at least 2/3 of the Class A votes and all of the Class B votes agree to such dedication or transfer, provided that this Section shall not preclude the Board of Directors from granting easements for the installation and maintenance of electrical, telephone, special purpose cable for television and other uses, water and sewer, utilities and drainage facilities upon, over, under and across the Common Property without the assent of the membership; and

3.3.1.4 the right of the Community Association to impose reasonable covenants and restrictions with respect to the use of the Common Properties in addition to those set forth herein.

3.3.2 Extension of Rights and Benefits. Every Homeowner shall have the right to extend the rights and easements of enjoyment vested in him under this Article to each of his tenants and to each member of his Family who resides with him and to such other persons as may be permitted by the Community Association.

3.4 Retention Walls. Declarant may, but shall not be obligated to, construct retention walls within the Property ("Retention Walls"), and such Retention Walls, whether or not located on the Common Property or upon a Lot, shall be maintained, repaired and/or replaced by the Community Association, with the costs of such maintenance, repair and/or replacement constituting Common Expenses (save and except for the costs of any such activities resulting from the acts of a particular Homeowner, in which event the associated costs shall be levied against the offending Homeowner as a Special Assessment). Failure of the Community Association to undertake any such maintenance, replacement and/or repair activities on the Retention Walls shall in no event be deemed a waiver of the right to do so thereafter. Notwithstanding anything contained in this Section, Declarant neither commits to, nor shall hereby be obligated to, construct any Retention Walls. Declarant, for itself and its successors and assigns, hereby reserves to itself and grants to the Community Association a perpetual, non-exclusive easement over, across, under and through the Common Property and each Lot so as to permit the activities contemplated under this Section; provided, however, that no such activities shall unreasonably interfere with the use of the Lot and the Home constructed thereon for residential purposes. No modifications to any Retention Wall shall be undertaken by a Homeowner except upon the prior written consent of the ARC; provided, however, that Declarant shall be exempt from the foregoing requirement for so long as Declarant owns any Lot in the Community.

3.5 Boundary Fence. Declarant may construct a border or perimeter wall along all or part of some or all of the publicly dedicated arterial and collector streets within the Property or streets bounding its perimeter ("Boundary Walls"). Any such Boundary Walls may be constructed either on dedicated rights of way, Common Properties, Lots, or other land adjacent to such rights-of-way, and may include a combination of berming, landscaping and vegetation or other material to provide for buffering to the extent desired by Declarant. Whether or not located on Common Property, the Community Association shall maintain and repair at its expense and as a Common Expense any such Boundary Walls located on Common Properties. The Community Association may perform any such maintenance, repairs and/or replacement of the Boundary Walls, and the costs of such maintenance, repairs and/or replacements shall constitute Common Expenses (save and except for the costs of any such activities resulting from the acts of a particular Homeowner, in which event the associated costs shall be levied against the offending Homeowner as a Special Assessment). Failure of the Community Association to undertake any such maintenance, replacement or repair on the Boundary Walls shall in no event be deemed a waiver of the

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right to do so thereafter. Notwithstanding anything contained in this Section, Declarant neither commits to, nor shall hereby be obligated to, construct any such Boundary Walls. Declarant, for itself and its successors and assigns, hereby reserves to itself and grants to the Community Association a perpetual, non-exclusive easement over, across, under and through the Common Property and each Lot so as to permit the activities contemplated under this Section; provided, however, that no such activities shall unreasonably interfere with the use of the Lot and the Home constructed thereon for residential purposes. No modifications to any Boundary Wall shall be undertaken by a Homeowner except upon the prior written consent of the ARC; provided, however, that Declarant shall be exempt from the foregoing requirement for so long as Declarant owns any Lot in the Community.

3.6 Lots. The following covenants, restrictions and easements are hereby imposed on each Lot in the Community:

3.6.1 General Restrictions. The following restrictive covenants are easements and covenants running with the land and are binding upon all Homeowners, Residents, and other occupants and their respective successors and assigns:

3.6.1.1 Easements. Each Lot and the Common Property are hereby subjected to a permanent easement appurtenant to any adjoining Lot to permit the use, construction, existence, maintenance, repair and restoration of structures located on such adjoining Lot, including, but not limited to, fences, boundary walls, driveways, walkways and roof structures which overhang and encroach upon the subordinate Lot or Common Property, if any, provided that such structures were constructed by Declarant or the construction of such structure is permitted and approved as elsewhere herein provided. The owner of the dominant tenement shall have the right, at all reasonable times, to enter the easement area in order to make full use of such structure for its intended purposes and to maintain, repair and restore any improvements located on the dominant tenement; provided, however, that any such entry made for purposes of maintenance, restoration or repair shall be limited to daylight hours and shall only be made with the prior knowledge of the owner of the subordinate tenement. In case of emergency, the right of entry for maintenance, restoration or repair shall be immediate, not restricted as to time, and not be conditioned upon prior knowledge of the owner of the subordinate tenement. The owner of the subordinate tenement shall not place any improvement, material or obstacle in or over the easement area on the subordinate tenement which would unreasonably interfere with the rights of the owner of the dominant tenement granted by this paragraph. Any such improvement, material or obstacle shall be promptly removed by the owner of the subordinate tenement at that owner's expense when requested by the owner of the dominant tenement or Declarant notwithstanding any lapse of time since such improvement, material or other obstacle was placed in or over the easement area.

3.6.1.2 No Improper Uses. No improper, offensive, hazardous or unlawful use shall be made of the Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereover shall be observed. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereover, relating to any portion of the Property, shall be corrected by, and at the sole expense of, the party obligated to maintain or repair such portion of the Property, as elsewhere herein set forth. Notwithstanding the foregoing and any provisions of this Declaration, the Articles of Incorporation or By-Laws, the Community Association shall not be liable to any person(s) for its failure to enforce the provisions of this Section. No activity specifically permitted by this Declaration shall be deemed a violation of this Section.

3.6.1.3 Leases. Prior to leasing a Home, a Homeowner shall notify the Community Association in writing that the Homeowner intends to lease a Home and shall provide the Community Association with a copy of the lease prior to execution. If a Homeowner intending to lease or rent his Home is delinquent in the payment of any Assessments, the Community Association shall be entitled to refuse to allow the Homeowner to rent or lease his Home until such delinquency is made current. Upon

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execution of such a lease, the Homeowner shall provide the Community Association with an executed copy of the lease. The Community Association shall have the right to require upon notice to all Homeowners that a substantially uniform form of lease or sub-lease be used by all Homeowners (including the Declarant) intending to rent or lease after said notice and to provide such form as a Common Expense. No lease shall be for a period of less than seven (7) consecutive months in duration, and no more than two (2) leases shall be permitted in any twelve (12) month period. Declarant shall be exempt from the provisions of this Section, and this Section shall not be amended without the express prior written consent of Declarant for so long as Declarant owns any portion of the Property.

3.6.2 Access by Community Association. The officers, employees, or designated agents of the Community Association have a right of entry onto the exterior of each Lot to the extent reasonably necessary to discharge any duty imposed, or exercise any right granted, by this Declaration or to investigate or enforce the provisions of the Declaration and the Rules and Regulations. Such right of entry must be exercised in a peaceful and reasonable manner at reasonable times, and the entry may be only upon reasonable notice whenever circumstances permit. Entry into any improvement upon any Lot may not be made without the consent of its Homeowner or occupant for any purpose, except pursuant to court order, other authority conferred by law or in the event of an emergency. Such consent will not be unreasonably withheld or delayed.

3.6.3 General Easements. In the event that any part of any Home encroaches or shall hereafter encroach upon any part of any other Lot or the Common Property, valid easements for the maintenance of such encroachments are hereby established and shall exist so long as all or any part of the same shall remain standing; provided, however, that in no event shall a valid easement for any encroachment be created in favor of any Homeowner if such encroachment or use is detrimental to or interferes with the reasonable use and enjoyment of the Home of another Homeowner and if it occurred due to the willful conduct of any Homeowner.

3.6.4 Party Walls. All dividing walls which straddle the boundary line between Lots and the Homes constructed thereon and which stand partly upon one Lot and partly upon another, and all walls which serve two or more Lots or the Homes constructed thereon, shall at all times be considered party walls, and each of the Owners of Lots within which such party walls shall stand, serve or benefit shall have the right to use said party wall below and above the surface of the ground and along the whole length or any part of the length thereof for support of the permitted improvements located within said Lots, and for the support of any Home, constructed to replace the same, and shall have the right to maintain in or on said wall, any pipes, ducts or conduits originally located therein or thereon subject to the following restrictions:

3.6.4.1 No Owner of any Lot nor any successor in interest to any such Owner shall have the right to extend said party wall in any manner, either in length, height or thickness.

3.6.4.2 In the event of damage to or destruction by fire or other casualty of any party wall, including the foundation thereof, the Owner of any Lot upon which said party wall may rest shall have the obligation to repair or build such wall and the Owner of each Lot upon which such wall shall rest, be served or be benefited by shall pay his allocated portion of the cost of such repair or rebuilding. All such repair or rebuilding shall be done within a reasonable time, and in such workmanlike manner with materials comparable to those used in the original wall, and shall conform in all respects to the laws or ordinances regulating the construction of buildings in force at the time of such repair or reconstruction. Whenever any such wall or any portion thereof shall be rebuilt, it shall be erected in the same location and on the same line and be of the same size as the original wall.

3.6.4.3 The foregoing provision of this section notwithstanding, the Owner of any Lot, or other interested party, shall retain the right to receive a larger contribution from another or others under any rule or law regarding liability for negligent or willful acts or omissions. The right of any

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Homeowner, or other interested party, to contribution from any other Homeowner under this section shall be appurtenant to the land and shall pass to such Homeowner's or other person's successors in title.

3.6.4.4 The title held by each Homeowner to the portion of each party wall within such Homeowner's Lot is subject to a cross easement in favor of the adjoining Homeowner for joint use of said wall.

3.6.5 Irrigation. Declarant reserves the right to install and from time to time improve and expand any existing irrigation facilities in the manner hereafter set forth at any time for so long as Declarant and its successors and assigns owns any real property in or adjacent to the Community. Declarant shall be under no obligation to improve or expand such irrigation facilities. Following completion of such expansion and improvement, however, the irrigation facilities shall become part of the Common Property owned and maintained by the Community Association. The improvements which Declarant is authorized by this Section to make may consist of additional underground sprinkler lines and sprinkler heads, and may be located on, under, or adjacent to the Property or the Common Properties, and may either be separate from or connected to existing irrigation facilities. No Homeowner or any other individual may install a pump or otherwise divert any waters from any lake, pond, creek or water body located wholly or partially on or adjacent to any portion of the Property for purposes of irrigation or for any other purpose. For so long as Declarant and its successors and assigns owns any real property in or adjacent to the Community, no amendment or modification to this Section shall be effective without the express prior written consent of Declarant or its successors or assigns. EACH HOMEOWNER, BY THE ACCEPTANCE OF A DEED TO THEIR LOT, ACKNOWLEDGES AND AGREES, AND SHALL BE DEEMED TO HAVE ACKNOWLEDGED AND AGREED, THAT THE IRRIGATION SYSTEM MAY UTILIZE A WATER SUPPLY FROM VARIOUS SOURCES. SUCH WATER IS TO BE USED FOR THE PURPOSE OF IRRIGATION TO THE COMMON PROPERTIES ONLY. THE WATER FROM THESE SOURCES MAY OR MAY NOT HAVE A HIGH CONCENTRATION OF IRON WHICH CAN CAUSE STAINING. DECLARANT CANNOT DETECT IN ADVANCE WHICH WATER SUPPLY MAY STAIN WALLS, SIDEWALKS, DRIVEWAYS AND SURROUNDING AREAS. EACH HOMEOWNER, BY ACCEPTANCE OF A DEED TO THEIR LOT, ACKNOWLEDGES AND AGREES, AND SHALL BE DEEMED TO HAVE ACKNOWLEDGED AND AGREED, THAT IT MAY BECOME NECESSARY TO INSTALL A TREATMENT SYSTEM TO THE IRRIGATION WATER TO PREVENT STAINING ON THE LOT AND THE HOME, AND THAT THE HOMEOWNER SHALL BE RESPONSIBLE TO PAY ITS PROPORTIONATE SHARE OF THE COSTS ASSOCIATED WITH THE INSTALLATION AND MAINTENANCE OF ANY SUCH TREATMENT SYSTEM. TO THE EXTENT THAT COMMON PROPERTIES REQUIRE SUCH TREATMENT SYSTEM, IT SHALL BE PAID FOR BY THE COMMUNITY ASSOCIATION AS A COMMON EXPENSE. EACH HOMEOWNER, BY ACCEPTANCE OF A DEED TO THEIR LOT, ACKNOWLEDGES AND AGREES, AND SHALL BE DEEMED TO HAVE ACKNOWLEDGED AND AGREED, THAT THE COMMUNITY ASSOCIATION, NOT DECLARANT, SHALL BE RESPONSIBLE FOR THE LONG TERM MAINTENANCE OF THE IRRIGATION SYSTEM.

3.6.6 Roadways. The Common Properties include paved asphalt roadways as described on the Plat (the "Roadways"). Declarant hereby grants easements for ingress and egress over, across and through the Roadways to Homeowners, Residents, their guests and invitees and to emergency vehicles. There may be additional areas improved as roadway with asphalt or other road type. Although it shall have the right to do so, Declarant does not represent, warrant, agree or promise to improve additional areas for ingress and egress purposes in the manner above described and shall be under no obligation to construct the described improvements. Declarant hereby reserves the right to improve in the manner hereafter set forth, at any time prior to the transfer of control of the Community Association, additional ingress and egress roadways. Declarant shall be under no obligation to construct such improvements, but the cost of construction of any such improvements shall be at Declarant's sole expense. Following completion of such improvements, however, such improvements shall become part of the Roadways and Common Properties owned by the Community Association and shall be maintained by the Community Association. The improvements which Declarant is authorized by this Section to construct, place or erect

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shall consist of paving, curbing, irrigation facilities and landscaping similar to those located or constructed on the Property.

3.6.7 Lawn and Landscaping Maintenance. All lawn and landscaping maintenance in the Common Properties and on all Lots in the Property shall be the responsibility of the Community Association. Lawn maintenance shall include cutting, irrigating, pest control, replanting and related maintenance. Such maintenance shall include the maintenance of landscaped areas and shrubbery located on Lots. The Community Association shall have an easement over, across and through each Lot in the Property to accomplish the lawn and landscaping maintenance referenced herein.

3.6.8 Signage and Flags.

3.6.8.1 In General. No sign, billboard or advertisement of any kind, including, without limitation, those of realtors, contractors, subcontractors and for sale or for lease signs, shall be erected within the Property without the prior written consent of the ARC, except as may be required by legal proceedings or applicable law, and except signs, regardless of size, used by Declarant, its successor and assigns, and replacement of such signs. If permission is granted to any Homeowner to erect a sign within the Property, the ARC reserves the right to restrict the size, color, lettering, height, material and location of the sign. Under no circumstances shall signs, banners or similar items advertising or providing directional information with respect to activities being conducted outside the Property be permitted within the Property. The ARC may promulgate Rules and Regulations for signs which do not require prior ARC approval to be placed on a Lot. No sign shall be nailed or otherwise attached to trees.

3.6.8.2 Homes for Sale: Signs Advertising Homes and Lots for Rent or Lease. Homes and Lots which are for sale may be shown by prior appointment only. "For sale," "open house," for rent," or like signs shall only be permitted to be placed upon a Home or Lot in accordance with the Rules and Regulations and/or the ARC Guidelines and with the prior written approval of the ARC. The ARC shall have the power to determine, in its sole discretion and from time to time, standards for the size, location and placement of "for sale" signs.

3.6.8.3 Traffic Signs. The Community Association shall be responsible for the installation, maintenance, repair and/or replacement of all traffic signs within the Community. The Community Association, for aesthetic purposes, may not, and shall not be required to, fully utilize the Florida Department of Transportation standards for any or all traffic signs.

3.6.8.4 Flags. Any Homeowner may display one portable, removable United States flag or official flag of the State of Florida in a respectful manner, and on Armed Forces Day, Memorial Day, Flag Day, Independence Day, and Veterans Day may display in a respectful manner portable, removable official flags, not larger than 4-1/2 feet by 6 feet, which represent the United States Army, Navy, Air Force, Marine Corps, or Coast Guard.

3.6.8.5 Security Sign Display. Any Homeowner may display a sign of reasonable size provided by a contractor for security services within ten (10) feet of any entrance to the Home. The Community Association may promulgate Rules and Regulations in furtherance of this Section; provided, however, that no such rules or regulations will inhibit the rights of a Member pursuant to Section 720.304(6) of the Act.

3.6.8.6 Declarant Exemption: Amendment to Provisions Concerning Signs. Declarant is specifically exempt from the provisions of this Section 3.6.8, and as such shall be entitled to erect such signs as it deems necessary or desirable in Declarant's sole discretion from time to time. No amendment or modification to this Section 3.6.8 pertaining to signs shall be effective without the prior written consent of Declarant for so long as Declarant owns any portion of the Property.

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3.6.9 Access Ramp. Any Homeowner may construct an access ramp on their Lot, if a resident or occupant of the Lot has a medical necessity or disability that requires a ramp for egress and ingress, under the following conditions:

3.6.9.1 The ramp must be as unobtrusive as possible, be designed to blend in aesthetically as practicable, and be reasonably sized to fit the intended use.

3.6.9.2 Plans for the ramp must be submitted in advance to the Community Association. The Community Association may make reasonable requests to modify the design to achieve architectural consistency with surrounding structures and surfaces.

3.6.9.3 The Homeowner must submit to the Community Association an affidavit from a physician attesting to the medical necessity or disability of the resident or occupant of the Lot requiring the access ramp. Certification as required under Section 320.0848, Florida Statutes, shall be sufficient to meet the affidavit requirement.

3.6.10 Division of Lands; Prohibition Against Timesharing. No Lot shall be subdivided or its boundary lines changed except by Declarant as to the Lots owned by Declarant and otherwise except with the prior written approval of the Board. Declarant hereby expressly reserves the right to replat any Lots owned by Declarant. Any such division, boundary line change, or replatting shall not be in violation of the applicable subdivision and zoning regulations.

No portion of the Property shall be made subject to any type of timeshare program, interval ownership, vacation club or similar program (except for hotel lodging purposes by Declarant) whereby the right to exclusive use of the Home or other Lot rotates among multiple owners or members of the program on a fixed or floating time schedule over a period of years. This Section shall not prohibit ownership of such property by joint tenants or tenants-in-common nor shall it prohibit ownership by an owner who is not a natural person. Notwithstanding anything to the contrary, Declarant shall specifically be exempt from any timeshare or interval ownership development restrictions imposed by this Declaration and, in its sole discretion, may develop a timeshare regime or facility on any portion of the Property from time to time. No amendment or modification to this Section shall be effective without the prior written consent of Declarant for so long as Declarant owns any portion of the Property.

3.6.11 Mailboxes. Mail delivery is provided by the United States Postal Service through the use of clustered mailbox structures located at one or more locations within the Community. Each Homeowner shall have the sole right to utilize the mailbox designated for their use, but in no manner shall a Homeowner or the Community Association alter the location of a mailbox structure without the consent of the Community Association (as to actions taken by a Homeowner) and the United States Postal Service (as to actions taken by a Homeowner or the Community Association).

3.6.12 Satellite Dishes. Satellite dishes, aerials, antennas and all lines and equipment related thereto located wholly within the physical boundaries of a Home shall be permitted without any requirement for approval from the Board of Directors.

Satellite dishes, aerials and antennas (including, but not limited to, ham radio antennas) shall not be permitted on the non-enclosed dwelling portions of a Lot except to the extent required to be permitted by applicable law (including, but not limited to, the federal Telecommunications Act of 1996). The Community Association shall have the right and authority, in its sole discretion and from time to time, to promulgate Rules and Regulations concerning the size and location of, and safety restrictions pertaining to, the installation of such television signal reception equipment.

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Notwithstanding any provision to the contrary, (a) the Community Association, in its discretion and from time to time, shall have the power and ability to erect or install any satellite dish, aerial or antenna or any similar structure on the Common Property, provided that such satellite dish, aerial or antenna be solely utilized for the reception of television signals to be utilized by the residents of the Community or for security purposes, and (b) only antennae, aerials and satellite dishes which are designed to receive television signals shall be permitted (i.e., no antennae and satellite dishes which broadcast a signal shall be permitted).

3.6.13 Solar Collectors. The ARC must approve all solar panels and energy conservation equipment prior to installation of such equipment on a Home or Lot. All solar heating apparatus must conform to the standards set forth in the HUD Intermediate Minimum Property Standards Supplement, Solar Heating, and Domestic Water Systems, or other applicable governmental regulations and/or ordinances. No solar energy collector panels or attendant hardware or other energy conservation equipment shall be constructed or installed unless it is an integral and harmonious part of the architectural design of a structure, as reasonably determined by the ARC. No solar panel, vents, or other roof-mounted, mechanical equipment shall project more than one (1) foot above the surface of the roof of a Home, and all such equipment, other than solar panels, shall be painted consistent with the color scheme of the portion of the Home for which such equipment is installed. This provision is not intended to prohibit the use of energy conservation devices.

3.6.14 Automobile Garage. No automobile garage shall be permanently enclosed and converted to other use. All Lots shall have a paved driveway of stable and permanent construction. No driveway surface shall be painted, repainted, or otherwise artificially colored or recolored without the prior approval of the ARC.

3.6.15 Animals and Pets.

3.6.15.1 No animals, livestock, or poultry of any kind shall be raised, bred, or kept anywhere within the Property; provided, however, that a maximum of two (2) pets (being a combination of dogs and/or cats) no larger than forty (40) pounds each (or one (1) dog or cat no larger than eighty (80) pounds at full maturity) may be kept on a Lot, provided such pets are not kept, bred, or maintained for any commercial purpose. Canine breeds designated as high risk or uninsurable by insurance standards shall not be permitted in the Community. No person owning or in custody of a dog or cat shall allow the dog or cat to stray or go upon another Lot without the consent of the Homeowner of such other Lot. Each dog or cat must be on a leash and in full physical control by the Homeowner or Homeowner's family member, or any tenant or guest of a Home, at all times when the dog or cat is outside of a Home. No pets shall be permitted to place or have excretions on any portion of the Property other than the Lot of the Homeowner of the pet, unless the Homeowner of the pet physically removes any such excretions from that portion of the Property.

3.6.15.2 Notwithstanding any provision herein to the contrary, Declarant, in its sole discretion and as it may deem necessary and appropriate from time to time, shall be entitled to grant a waiver to the two (2) pet requirement in connection with the initial conveyance of a Lot from Declarant to a third party. In the event such a waiver is granted (which shall be in writing and shall specifically reference this subsection and shall be delivered to the Community Association for inclusion in its official records), the Homeowner shall be permitted to maintain any such pet(s) which exceed the two (2) pet limit for the remainder of such pet(s) life, but shall not be entitled to replace any pet that dies for so long as the two (2) pet limit is exceeded. By way of example, if a waiver is granted to permit three (3) pets, when one pet dies, it cannot be replaced, but upon the death of two pets, the owner shall then be permitted to replace one of the pets so as to be in compliance with the two (2) pet limitation.

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3.6.15.3 Swine, goats, horses, pigs, cattle, sheep, chickens, and the like, are hereby specifically prohibited from being kept in the Community. Animals, fowl, birds and reptiles which are deemed by the Board to be obnoxious are prohibited. The determination of what is or what may be obnoxious shall be determined by the Community Association in its sole discretion. No animal breeding or sales as a business shall be permitted in the Community.

3.6.15.4 A determination by the Board that an animal or pet kept or harbored in a Home is a nuisance shall be conclusive and binding on all parties. No pet or animal shall be kept on the exterior of a Lot or upon the Common Property, or left unattended in a yard or on a balcony, porch, patio or lanai. Any pet causing or creating a nuisance or unreasonable disturbance shall be permanently removed from the Property upon three (3) days' written notice by the Community Association to the Homeowner thereof or to the Homeowner of the Lot containing such pet.

3.6.15.5 Each Homeowner, by virtue of taking title to a Lot, and each Resident shall indemnify the Community Association and Declarant and hold them harmless from and against any loss or liability of any kind or character whatsoever arising from such Homeowner or Resident having any pet upon any portion of any property subject to this Declaration. The Community Association shall have the power and right to promulgate Rules and Regulations in furtherance of the provisions of this Section, including, but not limited to, weight limitations, the number of pets and breeds of pets.

3.6.16 Parking and Vehicular Restrictions.

3.6.16.1 No vehicle shall be parked anywhere but on paved areas intended for that purpose. Parking on lawns or landscaped areas is prohibited, unless specifically approved or designated for such purpose. Homeowners' or Residents' automobiles shall be parked in the garage or driveway of or pertaining to a Lot. To the extent the Community has any guest parking, Homeowners and Residents are prohibited from parking in such guest parking spaces. With regard to any roadways or alleyways which serve to divide or otherwise border one or more portions of the Community, no parking of vehicles shall be permitted in such roadways or alleyways so as to impede the free flow of traffic and emergency vehicles through such roadways or alleyways.

3.6.16.2 No more than three (3) vehicles of any type may be parked in a driveway of a Lot overnight without the written consent of the Community Association.

3.6.16.3 No unlicensed vehicle or vehicle which cannot operate on its own power shall remain in the Community for more than twelve (12) hours, except as contained within the closed confines of the garage of or pertaining to a Lot.

3.6.16.4 No repair, except for emergency repair, of vehicles shall be made within the Community, except within the closed confines of the garage of or pertaining to a Lot.

3.6.16.5 No "commercial vehicle" (i) shall be permitted to be parked in the Community for a period of more than four (4) hours per day unless such commercial vehicle is temporarily present and necessary in the actual construction, maintenance or repair of a Home or Lot or other improvements in the Community, or (ii) shall be permitted to be parked overnight or stored in the Community unless fully enclosed within a garage. For the purposes of this Declaration, "commercial vehicle" means a vehicle which is determined by the Community Association to be for a commercial purpose (and the Community Association shall take into consideration, among other factors, lettering, graphics or signage located on or affixed to the exterior of the vehicle which identifies a business or commercial enterprise, but the existence of such lettering, graphics or signage shall not be dispositive).

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3.6.16.6 No boats, jet skis, wave runners, boat trailers, trailers of any kind, campers, motor homes, mobile homes, truck campers, mopeds, all-terrain (i.e., 3-wheel or 4-wheel) vehicles, motorcycles, buses or any vehicle classified as or above a ¾ ton vehicle shall be permitted to be parked in the Community unless kept at all times fully enclosed within a garage or parked in an area designated by Declarant for such purposes (if any).

3.6.16.7 No vehicle shall be used as a domicile or residence, temporarily or permanently.

3.6.16.8 This Section does not apply to vehicles utilized for sales, construction or maintenance operations of or by Declarant or the Community Association.

3.6.16.9 No amendment or modification to this Section shall be effective without the prior written consent of Declarant for so long as Declarant owns any portion of the Property.

3.6.16.10 The Community Association may, but shall not be obligated to, promulgate Rules and Regulations and clarify the provisions and objectives of this Section.

3.6.17 Firearms. The discharge of firearms within the Community is prohibited. The term "firearms" includes "B-B" guns, paintball guns, pellet guns, and other firearms of all types, regardless of size.

3.6.18 Driveways. All driveways in the Community shall be paved and/or constructed of pavers and of stable and permanent construction. No driveway surface shall be painted, repainted, or otherwise artificially colored or recolored without the prior written approval of the ARC.

3.6.19 Trash; Garbage Containers. No portion of the Property shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall be placed in one or more dumpsters contained within the Property by the Community Association.

3.6.20 Sewage Disposal; Septic Tanks. No individual sewage disposal system shall be permitted on any portion of the Property unless such system is designed, located and constructed in accordance with the requirements, standards and recommendations of the ARC and all applicable governmental authorities. Prior written approval of such system as installed shall be obtained from the ARC and all applicable governmental authorities. Septic tanks are not permitted on any portion of the Property, except for sales centers, models or construction offices of Declarant or as otherwise permitted by the ARC in conjunction with temporary use.

3.6.21 Temporary Structures. No structure of a temporary character, shed, trailer, tent, shack, stand-alone garage, barn or other outbuilding (a) shall be used on any portion of the Property at any time as a residence either temporarily or permanently, except that Declarant may place any type of temporary structure on any portion of the Property at any time to aid in its construction and/or sales activities, or (b) shall be permitted to be located on any portion of the Property for any other purpose without the prior written approval of the ARC (Declarant shall be exempt from this approval requirement with regard to Declarant-owned lots).

3.6.22 Insurance Rates. Nothing shall be done or kept in the Property which will increase the rate of insurance on any property insured by the Community Association without the approval of the Board, nor shall anything be done or kept on any Lot or the Common Properties which would result in the cancellation of insurance on any property insured by the Community Association or which would be in violation of any law.

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3.6.23 Sight Distance at Intersections. All portions of the Property located at street intersections shall be landscaped in a manner so as to permit safe sight across the street corners. No fence, wall, hedge, or shrub planting shall be placed or permitted to remain where it would create a traffic or sight problem, as the same is determined by the Board; provided, however, that the foregoing restriction shall in no manner be deemed applicable to any walls which serve to border or exist along or directly adjacent to one or more Lots.

3.6.24 Utility Lines. No overhead utility lines, including, without limitation, lines for electric, telephone and cable television, shall be permitted within the Property, except for temporary lines as required during construction and lines within the Property as the same may exist on the date hereof.

3.6.25 Increase in the Size of Lots; Changes in Elevation. No Lot shall be changed in size by filling in any water body or lake it may abut or by excavating existing ground, except upon the prior written approval of the ARC. The elevation of a Lot may not be changed so as to materially affect the surface elevation or grade of the surrounding Lots without the prior written approval of the ARC.

3.6.26 Swimming Pools and Spa. No above-ground or in-ground swimming pools shall be erected, constructed or installed on any Lot. No spa shall be placed within the boundaries of a Lot without the prior written consent of the ARC. All spa equipment shall be shielded from view. All spa shall be screened or otherwise enclosed (including any applicable "baby" barriers) so as to meet all applicable local and state governmental requirements for screening and barriers, and all such screening and barriers may only be constructed or installed in accordance with the terms of approval issued by the ARC.

3.6.27 Air Conditioning Units. No window air conditioning units may be installed on any Home or Lot except in connection with a temporary structure operated by Declarant. All air conditioning units shall be screened from view of the street and adjacent Homes.

3.6.28 Lighting. Except for seasonal Christmas or holiday decorative lights, which may be displayed between Thanksgiving and January 10 only, all exterior lights must be approved by the ARC prior to installation.

3.6.29 Fences, Walls and Hedges. Except fences, walls or hedges originally constructed by Declarant, if any, Homeowners are not permitted to erect fences, walls or hedges of any kind within the Community. All balcony enclosures and/or patios, including without limitation the addition of vinyl windows, and decks shall require the prior written approval of the ARC.

3.6.30 Trees. No Homeowner shall remove, damage, trim, prune or otherwise alter any tree in the Community, it being Declarant's intent that the Community Association maintain all trees contained on the Lots in order to ensure harmony of appearance in the Community.

3.6.31 Artificial Vegetation, Exterior Sculptures and Similar Items. All artificial vegetation, exterior sculpture, fountains, and similar items must be approved by the ARC prior to installation; provided, however, that nothing herein shall prohibit the appropriate display of any flag as otherwise permitted hereunder.

3.6.32 On-Site Fuel Storage. No on-site storage of gasoline or other fuels shall be permitted on any Lot except that up to five (5) gallons of fuel may be stored at each Home for emergency purposes. Notwithstanding the foregoing to the contrary, small propane tanks which are utilized directly and solely in connection with a barbecue grill shall be permitted on any Lot, subject to applicable fire code and safety regulations.

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~~3.6.33 Outside Window Coverings; Awnings, Canopies and Shutters.~~ Window treatments shall consist of drapery, blinds, decorative panels or other window coverings deemed acceptable by the ARC. No newspaper, aluminum foil, sheets, or other temporary window treatments shall be permitted. No reflective window coverings or tinting shall be permitted on any window, and no security bars shall be affixed to the exterior of a Home so as to cover over the area of a window, without the prior written consent of the ARC. No awnings, canopies or shutters shall be permanently installed on the exterior of any building unless approved by the ARC prior to installation (this provision shall not be deemed to apply to any such awnings, canopies or shutters installed in connection with the initial construction of the Home).

3.6.34 Home Business Use and Nuisance. No trade or business may be conducted in or from any Home, except as hereinafter provided for Declarant and except that real estate brokers, Homeowners and their agents may show Homes for sale or lease; nor shall anything be done on any Lot which may become a nuisance, or an unreasonable annoyance to the Community. Every person, firm, or corporation purchasing a Lot recognizes that Declarant, its agents or designated assigns, have the right to (i) use Lots or houses erected thereon for sales, offices, field construction offices, storage facilities general business offices, and (ii) maintain fluorescent lighted or spotlight furnished model homes in the Property open to the public for inspection seven (7) days per week for such hours as are deemed necessary. Declarant's rights under the preceding sentence shall terminate on December 31, 2021, unless prior thereto Declarant has indicated its intention to abandon such rights by recording a written instrument among the public records of the County. It is the express intentions of this Section that the rights granted Declarant to maintain sales offices, general business offices and model homes shall not be restricted or limited to Declarant's sales activity relating to the Property but shall benefit Declarant in the construction, development and sale of such other property and Lots which Declarant may own.

3.6.35 Extended Vacation or Absences. In the event a Home will not be occupied for an extended period of time, the Home must be prepared prior to departure by:

3.6.35.1 notifying the Community Association of such absence and the anticipated date of return;

3.6.35.2 removing all removable furniture, plants and other items of personal property from the exterior of the Home; and

3.6.35.3 designating a person or entity to care for the Home during such period of absence (both in terms of routine care and in the event of damage) and providing necessary access to the Home (the Homeowner is required to provide the Community Association with the name and telephone number of the designated person or entity).

The Community Association hereby disclaims any responsibility with regard to each unoccupied Home, and the Homeowner hereby acknowledges and agrees that the Community Association has no duty with regard to any unoccupied Home under this Section.

3.6.36 Storm Shutters. Subject to applicable law, storm shutters and other similar equipment shall only be permitted upon the prior written approval of the ARC in accordance with the ARC Guidelines. Storm shutters and other similar equipment shall only be permitted to be closed or otherwise put into use or activated in direct anticipation of severe weather, with the sole exception being the temporary closure or use of a shutter to provide shading from sunlight (and in such event, the shutter shall be opened as soon as the sunlight is no longer prevalent).

3.6.37 Garage Sales. No Homeowner shall be permitted to hold more than two (2) garage sales or other private sales of a similar nature within any twelve (12) month period, it being

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Declarant's intention to restrict and control such events from being a constant basis within the Community. A Homeowner shall be required to provide the Board with prior written notice that a sale will be occurring, and such notice shall be delivered to the Community Association not less than five (5) business days prior to the date of such sale.

3.6.38 Sound Transmission. Each Homeowner, by acceptance of a deed or other conveyance of their Lot, hereby acknowledges and agrees, and shall be deemed to have acknowledged and agreed, that sound and impact noise transmission is very difficult to control, and that noises from adjoining or nearby Homes and Lots and/or mechanical equipment can be heard in another Home or upon another Lot. Declarant does not make any representation or warranty as to the level of sound or impact noise transmission between and among Homes and Lots and the other portions of the Property, and each Homeowner hereby waives and expressly releases, to the extent not prohibited by applicable law as to the date of this Declaration, any such warranty and claims for loss or damages resulting from sound or impact noise transmission.

3.6.39 Basketball Goals. No basketball goals and equipment or other similar devices or items shall be placed on a Lot.

3.6.40 Size of Homes. All Homes constructed within the Community shall contain a minimum of 1,274 square feet of air conditioned living area and a maximum of 1,629 square feet of air conditioned living area. For purposes of the preceding sentence, "living area" shall be deemed to exclude garage areas.

3.6.41 Swingsets and Playground Equipment. No swingset or playground equipment or other similar devices or items shall be placed on a Lot.

3.7 Rules and Regulations. The Board may from time to time adopt, or amend previously adopted, rules and regulations governing (i) the interpretation and more detailed implementation of the restrictions set forth in this Declaration, including those which would guide the ARC in the uniform enforcement of the foregoing general restrictions, and (ii) the details of the operation, use, maintenance, management and control of the Common Properties; provided, however, that copies of such Rules and Regulations shall be furnished to each Homeowner prior to the time same becoming effective and provided that said Rules and Regulations are a reasonable exercise of the Community Association's power and authority based upon the overall concepts and provisions of this Declaration.

3.8 Provisions Inoperative as to Initial Construction. Nothing contained in this Declaration will be interpreted, construed or applied to prevent Declarant or with the prior written consent of Declarant so long as Declarant is an owner of any portion of the Property, and then the Community Association or its or their contractors, subcontractors, agents, and employees, from doing or performing on all or any part of the Property owned or controlled by Declarant as same determines to be reasonably necessary or convenient to complete the development of the Community, including, but not limited to:

3.8.1 Improvements. Erecting, constructing, and maintaining such structures and other improvements as may be reasonably necessary or convenient for the conduct of such Declarant's or other permitted Homeowner's business of completing the development of the Community.

3.8.2 Development. Conducting thereon its business of completing the development and disposing of the same by sale, lease or otherwise. However, any and all Work described herein and proposed to be performed must be performed in accordance with the provisions of the ARC Guidelines.

3.8.3 Signs. Maintaining such signs as may be reasonably necessary or convenient in connection with the development or the sale, lease or other transfer of Homes and/or Lots.

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3.9 Ingress and Egress. Each Homeowner shall have a perpetual, unrestricted easement over, across and through the Common Property for the purpose of ingress to and egress from his Lot, subject only to the right of the Community Association to impose reasonable and non-discriminatory Rules and Regulations governing the manner in which such easement is exercised, which easement shall be appurtenant to and pass with ownership to each Lot.

3.10 Continuous Maintenance of Easements by Community Association. The Community Association shall be responsible for the continuous maintenance of the easements and rights-of-way of the drainage system located on the Property. This obligation shall run with the land as do other provisions of this Declaration, and any Homeowner may enforce this covenant and will be entitled to costs and fees, pursuant to Section 13.1 hereof, which result from such enforcement.

3.11 Restrictions on Use of Lakes, Waterways, Wetlands, or Other Bodies of Water. With respect to any lakes, waterways, wetlands or other bodies of water located on the Property, no Homeowner, Resident or any temporary occupant of a Home shall: (i) disturb, remove, alter or in any way disrupt vegetation thereon; (ii) construct permanent or temporary docks or seawalls; or (iii) connect to any lake, waterway, wetland or other body of water through the use of a well, pump, ditch or other system of any nature for any purpose, including, but not limited to, lawn irrigation, lawn maintenance, water features or for any other use. In addition, no Homeowner, Resident or any temporary occupant of a Home shall dig a well on any Lot for any purpose, including but not limited to, lawn irrigation, lawn maintenance, water features or for any other use. No fence or other structure may be placed within any easement reserved herein for the maintenance of bodies of water. Swimming and/or boating will not be permitted in any body of water located within the Property. The provisions of this Section shall not apply to Declarant. No amendment to this Section shall be effective without the express prior written consent of Declarant.

Article IV: Architectural Control

4.1 ARC Guidelines. The ARC has adopted, and shall adopt from time to time, restrictions and guidelines that shall apply to each and every Lot and Home now or hereafter located within the Community, which restrictions and guidelines may change from time to time ("ARC Guidelines"). Homeowners may contact the Community Association to obtain a copy of the ARC Guidelines.

4.2 Approval of Plans; Architectural Review Committee.

4.2.1 For the purpose of further insuring the development of the Community as a residential area of the highest quality and standards, and in order that all improvements on each Lot and with regard to a Home (including landscaping) shall present an attractive and pleasing appearance from all side of view, the ARC, consisting of not less than three (3) nor more than five (5) members appointed by the Board, shall have the exclusive power and discretion to control and approve all of the improvements on each Lot in the manner and to the extent set forth herein.

4.2.2 Notwithstanding any provision to the contrary, Declarant shall be entitled to appoint all members of the ARC until such time as Declarant no longer owns any portion of the Property. Upon such time as Declarant no longer owns any portion of the Property, the members of the ARC shall be appointed by the Board.

4.2.3 No Home, building, fence, wall, utility yard, driveway, walkway, deck, sign (including "For Sale" signs), recreation equipment, patio, spa, landscaping or other structure or improvement, regardless of size or purpose, whether attached to or detached from the Home, shall be commenced, placed, erected, or allowed to remain on any Lot, nor shall any modification, addition to, or exterior change or alteration thereto be made, unless and until a request therefor has been submitted to and approved in writing by the ARC.

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4.2.4 The ARC is authorized, but shall not be obligated, to require that the applicant for such approval include together with the request therefor such plans, specifications, drawings, information and materials as the ARC may request in order to make an informed decision.

4.3 Review Factors. In passing upon plans and specifications, the ARC may take into consideration such factors as it deems appropriate, including, without limitation, the suitability and desirability of the proposed construction and of the materials of which the same are proposed to be built, the Lot upon which they are proposed to be installed, the quality of the proposed workmanship and materials, the harmony of external design with the surrounding Community, and the effect and appearance of such construction as viewed from neighboring Lots and Common Properties.

4.4 Timing. The ARC shall have thirty (30) business days from submittal of a full and complete package within which to approve or reject said plans and specifications. In the event the ARC fails within said thirty (30) business days to approve or disapprove such plans and specifications, or request additional information, approval will not be required, and this Section shall be deemed to have been fully complied with. The ARC shall have the absolute and exclusive right to refuse to approve any such plans and specifications which are not suitable or desirable in its opinion for any reason, including purely aesthetic reasons and reasons relating to future development plans of Declarant for the Community and adjacent properties. In the event the ARC rejects such plans and specifications as submitted, the ARC shall so inform the Homeowner in writing (by U.S. Mail addressed to the applicant's address indicated on the submittal) stating with reasonable detail the reasons(s) for disapproval and the ARC's recommendations to remedy same if in the sole opinion of the ARC a satisfactory remedy is possible. In the event that the applicant makes the changes requested by the ARC within ninety (90) days after approval is denied and resubmits its application in conformity with the requirements of this Declaration, the plans and specifications shall be approved by the ARC within thirty (30) business days after re-submission.

Upon the ARC's written approval, construction shall be started and pursued to completion diligently, continuously and promptly and in substantial conformity with the approval plans and specifications. Except as provided herein for construction of a Dwelling, in no event shall the construction period extend more than one year and best efforts made so that any exterior construction may be completed within six (6) months unless otherwise provided by the ARC. The ARC shall be entitled to stop any construction in violation of these restrictions, and any exterior addition to or change or alteration made without application having first been made and approval obtained as provided above, shall be deemed to be in violation of this covenant and may be required to be restored to the original approved condition at the Homeowner's expense.

4.5 Review Fees. The ARC shall have the right (but shall not be required) to charge a fee (not to exceed \$100.00 or such fee as otherwise determined by the Board from time to time) for reviewing each application for approval of plans and specifications.

4.6 Published Standards. The ARC may, from time to time, publish certain restrictions, specifications, materials, and standards to be followed. The provisions of such published information promulgated by the ARC from time to time shall be deemed to be a part of this Declaration and are incorporated herein by this reference.

4.7 Restitution. Any damages to roads, ditches, natural areas, ponds, lakes or other water bodies, or other improvements on or serving the Community as a whole caused by any Homeowner, Homeowner's contractor or subcontractor shall be repaired (in conformity with such requirements as the Board may impose) by the Homeowner of the Lot upon which or for whose benefit the construction activity is taking place. Should any Homeowner, after ten (10) days notice, fail or refuse to make said repairs, the Community Association may make said repairs and the cost therefor shall be payable by the Homeowner to the Community Association within five (5) days after demand therefor.

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4.8 Liability of the ARC and the Board of Directors. Notwithstanding anything in this Article to the contrary, the ARC and the Board shall merely have the right, but not the duty, to exercise architectural control in a particular matter, and shall not be liable to any Homeowner, the Community Association, or any other entity due to the exercise or non-exercise of such control, or the approval or disapproval of any improvements. Furthermore, the approval of any plans or specifications or any improvement shall not be deemed to be a determination or warranty that such plans or specifications or improvements:

- 4.8.1 are complete or do not contain defects; or
- 4.8.2 in fact meet any standards, guidelines and/or criteria of the ARC or the Board; or
- 4.8.3 are in fact architecturally or aesthetically appropriate; or
- 4.8.4 comply with any applicable governmental requirements.

Furthermore, the ARC and the Board shall not be liable for any defect or deficiency in such plans or specifications or improvements or any injury resulting therefrom.

4.9 Completion of Work Remedy. When Work on any improvement is begun, such Work thereon must be prosecuted diligently and completed within a reasonable time. If for any reason such Work is discontinued or there is no substantial progress toward completion for a continuous sixty (60) day period, then the ARC shall have the right to notify the Homeowner of its intentions herein, enter the Lot and take such steps as might be required to correct the undesirable appearance or existence of the Home, including, but not limited to, demolition and/or removal thereof, and/or pursue any of the remedies under this Declaration as the ARC determines, and charge the Homeowner for all costs associated therewith, which shall include all costs and attorneys' fees. The reason for such correction shall be solely in the discretion of the ARC and may include, but shall not be limited to, aesthetic grounds. The ARC shall have the authority, on behalf of the Board, to enter into such contracts as may be necessary to undertake the remedial and necessary actions on the Lot, including the right to enter into a contract with Declarant to undertake such actions. In addition, any failure to undertake Work under this Section shall require the offending Homeowner to resubmit plans and specifications to the ARC for approval prior to undertaking any new Work on the Lot.

Article V: Membership and Voting Rights

5.1 Membership. Every Homeowner of a Lot that is subject to assessment under Article VIII of this Declaration shall become a Member of the Community Association upon the recording of the instrument of conveyance. If title to a Lot is held by more than one person, each such person is a Member. A Homeowner of more than one Lot is entitled to one membership for each Lot owned. Each membership is appurtenant to the Lot upon which it is based and is transferred automatically by conveyance of title to that Lot whether or not mention thereof is made in such conveyance of title. No person other than a Homeowner may be a Member of the Community Association, and a membership in the Community Association may not be transferred except by the transfer of title to a Lot; provided, however, the foregoing does not prohibit the assignment of membership and voting rights by a Homeowner who is a contract seller to such Homeowner's vendee in possession.

5.2 Voting. The Community Association shall have two (2) classes of voting membership: Class A and Class B. So long as there is Class B membership, Class A Members are all Homeowners except Declarant. The Class B Member shall be Declarant. Upon termination of Class B membership, as provided below, Class A Members are all Homeowners, including Declarant so long as such Declarant is a Homeowner. Subject to the provisions of Section 5.3 of this Article, all Members, Class A or Class B, are entitled to cast one (1) vote for each Lot owned; however, as provided in the Articles of Incorporation, the

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Class B Members are entitled to elect the Community Association's directors until termination of Class B membership.

5.3 Co-Ownership. If more than one person owns an interest in any Lot, all such persons are Members, but there may be only one vote cast with respect to such Lot. Such vote may be exercised as the co-owners determine among themselves, but no split vote is permitted. Prior to any meeting at which a vote is to be taken, each co-owner must file the name of the voting co-owner with the secretary of the Community Association to be entitled to vote at such meeting, unless such co-owners have filed a general voting authority with the secretary applicable to all votes until rescinded. Notwithstanding the foregoing, if title to any Lot is held in a tenancy by the entireties, either tenant is entitled to cast the vote for such Lot unless and until the Community Association is notified otherwise in writing.

5.4 Termination of Class B Membership; Transfer of Control. Prior to termination of Class B membership, the Declarant shall be entitled to solely appoint all members of the Board. From time to time, Class B membership may cease and be converted to Class A membership, and any Class B Lots then subject to the terms of this Declaration shall become Class A Lots, and Members other than the Declarant shall be entitled to elect a majority of the members of the Board, upon the happening of the earliest of the following events:

5.4.1 Three (3) months after 90% of the Lots in all portions of the Community which are or may be ultimately subject to governance by the Community Association have been conveyed to third party Homeowners of Lots; or

5.4.2 when the Declarant waives in writing its right to Class B membership, which waiver shall be evidenced by the recording of a certificate to such effect in the public records of the County or

5.4.3 On December 31, 2021.

Notwithstanding the foregoing, despite an event of transfer of control having occurred, the Declarant shall be entitled to appoint at least one member to the Board, but not more members which would constitute a majority of the Board, as long as the Declarant holds for sale in the ordinary course of business at least 5% of the total number of Lots which are or may ultimately be contained within the Community.

Article VI: Rights and Obligations of the Community Association

6.1 Community Association. The Community Association shall govern, make Rules and Regulations, control and manage the Lots and Common Properties, if any, located on the Property pursuant to the terms and provisions of this Declaration and the Articles of Incorporation and By-Laws. The Community Association shall at all times pay the real property ad valorem taxes on any Common Properties if said taxes are billed to the Community Association as differentiated from being billed to the Homeowner and pay any governmental liens assessed against the Common Properties. The Community Association shall further have the obligation and responsibility for the hiring of certain personnel and purchasing and maintaining such equipment as may be necessary for maintenance, repair, upkeep and replacement of any Common Properties and facilities which may be located thereon, the performance of any of its maintenance obligations and performance of such other duties as are set forth herein, as follows:

6.1.1 Notwithstanding the foregoing, the Community Association may, but is not obligated to, employ community access or patrol services or personnel. If community access or patrol services or personnel are employed by the Community Association, the Board of Directors shall determine, in its sole discretion, the schedule and cost of expense of such access or patrol services or personnel. Declarant, while in control of the Community Association, does not intend to hire or pay for access or patrol

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services or personnel. Each Homeowner, by virtue of taking title to a Lot, acknowledges and agrees, and shall be deemed to have acknowledged and agreed, that Declarant is and shall be under no obligation to provide any access or patrol services or personnel within the Community, and shall hold Declarant harmless for any occurrences in such regard.

Declarant and the Community Association may, but shall not be obligated to, maintain or support certain activities within the Property and the Community designed to make the Property and the Community more secure than they otherwise might be. Neither the Community Association nor the Declarant shall in any way be considered insurers or guarantors of security or safety within the Property. Neither the Community Association nor the Declarant shall be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security or safety measures undertaken. All Homeowners and occupants of any Home, Authorized Users, tenants, guests and invitees of any Homeowner or Authorized User, as applicable, acknowledge that Declarant and the Community Association, and the officers, directors and supervisors of each, do not represent or warrant that any fire protection system, electronic monitoring system or other security system designated by or installed according to guidelines established by Declarant or Community Association may not be compromised or circumvented, that any fire protection or electronic monitoring systems or other security systems will prevent loss by fire, smoke, burglary, theft, hold-up, or otherwise, and that fire protection or electronic monitoring systems or other security systems will in all cases provide the detection or protection for which the system is designed or intended. Each Homeowner and occupant of any Home, and each Authorized User, tenant, guest and invitee of a Homeowner, as applicable, acknowledges and agrees, and shall be deemed to have acknowledged and agreed, that each Homeowner and occupant of any Home and each Authorized User, tenant, guest and invitee of any Homeowner assumes all risks for loss or damage to persons, to Homes and to the contents of Homes and further acknowledges that the Community Association and the Declarant have made no representations or warranties nor has any Homeowner, Authorized User, occupant, tenant, guest or invitee relied upon any representations or warranties, expressed or implied, including any warranty of merchantability or fitness for any particular purpose, relative to any fire and/or electronic monitoring systems or other security systems recommended or installed or any security measures undertaken within the Property and the Community.

6.1.2 The Community Association shall maintain the Common Properties and pay the real property ad valorem taxes and governmental liens assessed against the Common Properties and billed to the Community Association. Any Common Properties which are to be maintained by the Community Association as provided herein shall be maintained in good condition and repair. Should real property ad valorem taxes or governmental liens as to any Common Properties be assessed against the billed Lots, the Board of Directors shall have the right to determine, in its sole discretion, if the Community Association should pay all or any portion of said bill(s) for taxes or liens, and such amount as they determine should be paid by the Community Association shall be levied as a Special Assessment pursuant to Article VIII of this Declaration.

6.1.3 The Community Association shall maintain any and all landscaping islands and all landscaping and/or signage located, placed, installed or erected thereon.

6.1.4 The Community Association shall use its best efforts to obtain, maintain and pay the premiums for the hazard insurance, flood insurance, liability insurance and fidelity bond coverage as set forth below and as consistent with state and local insurance laws, and such other types of insurance as the Board may deem advisable from time to time:

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6.1.4.1 Hazard insurance covering all Common Properties, exclusive of land foundations and excavations, and all Community Association common personal property and supplies. The policy must protect against loss or damage by fire and all other hazards normally covered by the standard extended coverage endorsement and all other perils customarily covered for similar types of communities, including those covered by the standard "all risk" endorsement. The policy shall cover 100% of the current replacement cost of all covered facilities and shall include the following endorsements: agreed amount and inflation guard (if available); and construction code (if the local construction code requires changes to undamaged portions of buildings even when only part of the Property is destroyed by an insured hazard).

6.1.4.2 Comprehensive general liability insurance covering all Common Properties and any other common spaces under the Community Association's supervision, including public ways and commercial spaces owned by the Community Association. The policy must provide coverage of at least \$1,000,000.00 for bodily injury and property damage for any single occurrence. The policy must cover bodily injury and property damage resulting from the operation, maintenance or use of the Common Properties and other areas under the Community Association's control and any legal liability resulting from law suits related to employment contracts to which the Community Association is a party. The policy must provide for at least ten (10) days' written notice by the insurer to the Community Association prior to cancellation or substantial modification.

6.1.4.3 Comprehensive general liability insurance covering all Common Properties and any other common spaces under the Community Association's supervision, including public ways and commercial spaces owned by the Community Association. The policy must provide coverage of at least \$1,000,000.00 for bodily injury and property damage for any single occurrence. The policy must cover bodily injury and property damage resulting from the operation, maintenance or use of the Common Properties and other areas under the Community Association's control and any legal liability resulting from law suits related to employment contracts to which the Community Association is a party. The policy must provide for at least ten (10) days' written notice by the insurer to the Community Association prior to cancellation or substantial modification.

6.1.5 Except as otherwise specifically provided herein, the Community Association shall care for and maintain any entryway walls and signage intended for and/or identifying the Property and shall maintain any landscaping located within the Common Property, each Lot, road right-of-way or any landscaping easement which is owned by or runs in favor of the Community Association, which maintenance activities may, but not necessarily will, include without limitation any of the following: replacement and/or replanting of existing landscaping, excavation, construction of berms, end installation, maintenance and repair of irrigation facilities.

6.1.6 If any lake or other water body is part of the Common Property, the Community Association shall be responsible for the maintenance of such lake or other water body, except for those lakes or other water bodies which may be specifically maintained by another entity. The Community Association also shall be responsible for the maintenance of the Surface Water Drainage and Management System for any portion of the Property in accordance with the WMD Permit, as more particularly described in Article XI hereof. The Community Association shall levy Assessments for the costs and expenses associated therewith. The Community Association shall have the power to contract with any other Community Association or entity to share the expense of maintaining any lake and associated equipment which is not located wholly on the Property but which is contiguous to any portion of the Property, and such contractual obligations shall be a Common Expense.

6.1.7 The Community Association shall operate, maintain and repair the Lots and any improvements thereon, including without limitation, maintenance, repair and/or replacement of roof surfaces, structures and supports and landscaping of Homes and upon Lots, and the exterior painting of Homes, it being Declarant's intention to ensure aesthetic consistency and harmony within the Community.

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All costs associated with the maintenance, repair and/or replacement of roof surfaces, structures and supports shall be Common Expenses.

6.1.8 The Community Association shall be responsible for painting the exterior of the ingress/egress doors to and from the Homes, at its sole discretion and from time to time, it being Declarant's intention to ensure aesthetic consistency and harmony within the Community. The Board shall have the sole right to determine when painting is to occur on the Homes. The Community Association's duties of exterior maintenance of a Home, however, do not include replacement or maintenance of windows (including all glass surfaces, frames and structures), exterior doors, or screened enclosures, or of any improvements placed within the rear lanai area of a Home.

6.1.9 The Community Association is responsible for the maintenance, repair and/or resurfacing of all paved surfaces within the Property, including, but not limited to, driveways, roadways, pathways, bicycle paths, and sidewalks forming a part of the Common Properties, if any, or as contained on any Lot, it being Declarant's intention to ensure aesthetic consistency and harmony within the Community. Although pavement appears to be a durable material, it requires maintenance. The Community Association shall have the right, but not the obligation, to arrange for an annual inspection of all paved surfaces forming a part of the Common Properties or located on a Lot by a licensed paving contractor and/or engineer. The Community Association shall determine annually the parameters of the inspection to be performed, if any. By way of example, and not of limitation, the inspector may be required to inspect the roads and sidewalks forming part of the Common Properties annually for deterioration and to advise the Community Association of the overall pavement conditions including any upcoming maintenance needs. Any patching, grading, or other maintenance work should be performed by a company licensed to perform the work. From and after transfer of control pursuant to Section 5.4 hereof, the Community Association should monitor the roads and sidewalks forming part of the Common Properties monthly to ensure that vegetation does not grow into the asphalt and that there are no eroded or damaged areas that need immediate maintenance.

6.1.10 Declarant may, but shall not be obligated to, coordinate and establish an agreement with one or more cable television service companies for the provision of cable television services and/or data services (ISP) to the Community and all Homes included therein. If such agreement is established, the fees for cable television service and/or data services (ISP) payable to the service provider shall be a Common Expense payable by the Community Association and shall be included within the annual budget for which the General Assessments are levied each year. No Homeowner may avoid or escape liability for any portion of the General Assessments by election not to utilize the cable television service and/or data services (ISP). Furthermore, subsequent to transfer of control pursuant to Section 5.4 hereof, if no such agreement is already in existence, the Community Association shall have the power to enter into an agreement with one or more cable television service companies for the provision of cable television services and/or data services (ISP) to the Community and all Homes included therein.

6.1.11 The Community Association shall care for and maintain any Retention Walls, Boundary Fences and sign monuments, if any, constructed within the Property.

The foregoing constitutes the basic and general expenses of the Community Association, and said expenses are to be paid by Members of the Community Association as hereinafter provided, except as otherwise provided herein. It shall be the duty and responsibility of the Community Association, through its Board of Directors, to fix and determine from time to time the sum or sums necessary and adequate to provide for the expenses of the Community Association. The procedure for the determination of such assessments shall be as hereinafter set forth in this Declaration or the By-Laws or the Articles of Incorporation. The Board of Directors shall have the power and authority to levy a Special Assessment, should one become necessary, as determined by it in its sole discretion, and said Special Assessment shall be determined, assessed, levied and payable in the manner determined by the Board of Directors as

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hereinafter provided in this Declaration or the Articles of Incorporation or the By-Laws. A General Assessment shall be payable in advance monthly, quarterly, or on a semi-annual or annual basis or otherwise as determined by the Board of Directors.

6.2 Management Contracts and Leases of Common Property. The Community Association shall expressly have the power to contract for the management of the Community Association and/or the Common Property, if any, and to lease the recreation areas, further having the power to delegate to such contractor or lessee any or all of the powers and duties of the Community Association respecting the contract granted or property demised. The Community Association shall further have the power to employ administrative and other personnel to perform the services required for proper administration of the Community Association.

The undertakings and contracts authorized by the first Board of Directors shall be binding upon the Community Association in the same manner as though such undertakings and contracts had been authorized by the first Board of Directors duly elected by the membership of the Community Association.

6.3 Easements.

6.3.1 Easements for installation and maintenance of utilities (including, but not limited to, those required for cable television service) and drainage facilities are reserved as shown on the Plat or as otherwise granted by Declarant. Within these easements, no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities or which may change the direction of flow of drainage channel in the easements, or which may obstruct or retard the flow of water through drainage channel in the easements, or which are or might be prohibited by the public authority to whom said easement is given.

6.3.2 Easements over, under, across and through each Lot and the Common Properties are hereby expressly granted to the Community Association for the purpose of making any repairs or performing any maintenance provided for or required by this Declaration, regardless of whether such repairs or maintenance directly benefit the Lot upon which they are performed.

6.3.3 The easement area of each Lot and all improvements in it shall be maintained by the Community Association, except for those improvements for which a public authority or utility company is responsible.

6.4 Specific Provisions Pertaining to Insurance. The Community Association shall be required to purchase policies of casualty insurance pertaining to the Homes to the limit of the Community Association's maintenance responsibilities. The named insured shall be the Community Association individually and as agent for the Homeowners, without naming them individually, and as agent for their mortgagees. Provisions shall be made for the issuance of the mortgagee endorsements and memoranda of insurance to the mortgagees of Homeowners and their Lots. Such policies shall provide that payments by the insurer for losses shall be made to the Community Association, and all policies and their endorsements shall be deposited with the Community Association as set forth herein.

6.4.1 Personal Property of Homeowner. Homeowners should obtain coverage at their own expense for personal property located within the Home and shall provide a certificate of insurance to the Community Association. The Community Association shall not be responsible to obtain personal property insurance for any Homeowner.

6.4.2 Coverage.

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6.4.2.1 Casualty. All buildings and improvements within the Community, including the Homes, shall be insured in an amount equal to the insurable replacement value, excluding foundation and excavation costs, and all personal property contained within or constituting the Common Property shall be insured for its value, all as shall be determined annually by the Board. Coverage shall afford protection against:

6.4.2.1.1 Loss or damage by fire and other hazards covered by a standard extended coverage endorsement;

6.4.2.1.2 Such other risks as from time to time shall be customarily covered with respect to buildings similar in construction, location and use as the Homes in the Community, including, but not limited to, vandalism and malicious mischief; and

6.4.2.1.3 Hazard policies issued to protect Homes shall provide that the word "building," wherever used in the policy, shall include, but shall not necessarily be limited to, fixtures, installations or additions comprising that part of the building within the unfurnished interior surfaces of the perimeter walls, floors and ceilings of the individual Homes initially installed or replacements thereof, of like kind and quality, in accordance with the original plans and specifications or as existed at the time the Home was initially conveyed if the original plans and specifications are not available. However, the word "building" shall not include floor coverings, wall coverings or ceiling coverings, and shall not include electrical fixtures, appliances, air conditioning and heating equipment, water heaters or built in cabinets or other personal property required to be replaced or repaired by the Homeowner. With respect to the coverage provided by this paragraph, the Homeowner shall be considered as an additional insured under the policy.

6.4.2.2 Public Liability. The Community Association is authorized to purchase public liability insurance in such amounts and with such coverage as shall be required by the Board, including, but not limited to, hired vehicles, owned, and non-owned vehicle coverage, and with cross liability endorsements to cover liabilities of the Homeowners as a group to an individual Homeowner.

6.4.2.3 Workers' Compensation. The Community Association is authorized to purchase workers compensation insurance to meet the requirements of law.

6.4.2.4 Flood Insurance. If the Common Property or the Homes are located within an area which has special flood hazards and for which flood insurance has been made available under the National Flood Insurance Program (NFIP), the Community Association shall obtain coverage in appropriate amounts, available under NFIP for all buildings and other insurable property within any portion of the Community located within a designated flood hazard area. The amount of flood insurance shall be for not less than the lesser of (i) 100% of the current replacement cost of all buildings and insurable property within the flood hazard area, or (ii) the maximum coverage available for the Property under the National Flood Insurance Program.

6.4.2.5 Fidelity Bonds. If available, a blanket fidelity bond for all officers, directors, trustees and employees of the Community Association, and all other persons handling or responsible for funds of, or administered by, the Community Association. In the event the Community Association delegates some or all of the responsibility for the handling of the funds to a professional management company or licensed manager, such bonds shall be required for its officers, employees and agents, handling or responsible for funds of, or administered on behalf of the Community Association. The amount of the fidelity bond shall be based upon reasonable business judgment. The fidelity bonds required herein must meet the following requirements (to the extent available at a reasonable premium):

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6.4.2.5.1 The bonds shall name the Community Association as an obligee.

6.4.2.5.2 The bonds shall contain waivers, by the issuers of the bonds, of all defenses based upon the exclusion of persons serving without compensation from the definition of "employee" or similar terms or expressions.

6.4.2.5.3 The premiums on the bonds (except for premiums on fidelity bonds maintained by a professional management company, or its officers, employees and agents), shall be paid by the Community Association.

6.4.2.5.4 The bonds shall provide that they may not be canceled or substantially modified (including cancellation for non-payment of premium) without at least thirty (30) days' prior written notice to Declarant (for so long as Declarant owns any Lots in the Community) and the Community Association.

6.4.3 Share of Proceeds. All insurance policies purchased by the Community Association shall be for the benefit of the Community Association and the Homeowners and their mortgagees as their interests may appear, and shall provide that all proceeds covering property losses shall be paid to the Community Association, as trustee, or to such trustee in Florida with trust powers as may be designated from time to time by the Board. The Community Association shall not be liable for payment of premiums nor for the failure to collect any insurance proceeds. The duty of the Community Association shall be to receive such proceeds as are paid and hold the proceeds in trust for the purposes stated herein for the benefit of the Homeowners and their mortgagees; provided, however, such shares need not be set forth on the records of the Community Association.

6.4.4 Mortgages. In the event a mortgagee endorsement has been issued to a Home, the share of the Homeowner shall be held in trust for the mortgagee and the Homeowner as their interests may appear; provided, however, that no mortgagee shall have any right to determine or participate in the determination as to whether any damaged property shall be reconstructed or repaired, and no mortgagee shall have any right to apply or have applied to the reduction of a mortgage debt any insurance proceeds except distributions of such proceeds made to the Home and mortgagee pursuant to the provisions of this Declaration. Notwithstanding the foregoing, the mortgagee shall have the right to apply or have applied to the reduction of its mortgage debt any or all sums of insurance proceeds applicable to its mortgaged Home in any of the following events:

6.4.4.1 Its mortgage is not in good standing and is in default.

6.4.4.2 Insurance proceeds are insufficient to restore or repair the Home to the condition existing prior to the loss and additional monies are not available for such purpose.

6.4.5 Distribution of Proceeds. Proceeds of insurance policies received by the Community Association shall be distributed to or for the benefit of the beneficial Homeowners in the following manner:

6.4.5.1 All expenses of the Community Association shall be paid first or provisions made for such payment.

6.4.5.2 If the damage for which the proceeds are paid is to be repaired or reconstructed the proceeds shall be paid to defray the cost thereof as provided herein. Any proceeds remaining after defraying such cost shall be distributed to the beneficial Homeowners, remittances to

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Homeowners and their mortgagees being payable jointly to them. This is a covenant for the benefit of, and may be enforced by, any mortgagee of a Home.

6.4.5.3 If it is determined in the manner provided herein that the damage for which proceeds are paid shall not be reconstructed or repaired, the proceeds shall be distributed to the beneficial Homeowners, remittances to Homeowners and their mortgagees being payable jointly to them. This is a covenant for the benefit of, and may be enforced by, the mortgagee of a Home.

6.4.5.4 In making distribution to Homeowners and their mortgagees, the Community Association may rely upon a Certificate of the Community Association executed by its President and Secretary as to the names of the Homeowners and their respective shares of the distribution.

6.4.6 Community Association as Agent. The Community Association is hereby irrevocably appointed Agent for each Homeowner and for each Homeowner of any other interest in the Property to adjust all claims arising under the insurance policies purchased by the Community Association and to execute and deliver releases upon the payment of a claim.

6.4.7 Cost of Payment of Premiums. The costs of all insurance maintained by Community Association hereunder, and any other fees or expenses incurred which may be necessary or incidental to carry out the provisions hereof are Common Expenses.

6.4.8 Declarant has No Liability. Notwithstanding anything to the contrary in this Section, Declarant and its officers, directors, shareholders, and any related persons or corporations and their employees, attorneys, agents, officers and directors, shall not be liable to any Homeowner or any other person should the Community Association fail for any reason whatsoever to obtain insurance coverage on a Home.

6.4.9 Additional Insured. Declarant and its lender(s) shall be named as additional insured on all policies obtained by the Community Association, as their interests may appear, for so long as Declarant owns any portion of the Property.

6.5 Termite Protection Program. At the discretion of the Board, the Community Association may purchase and maintain a master termite protection program (the "Termite Protection Policy") for all Homes. Such Termite Protection Policy shall be provided by such persons or entities as may be designated by the Board. The fees for the Termite Protection Policy payable to the service provider shall be a Common Expense and shall be included within the annual budget for which the General Assessments are levied each year. The Community Association, or its designees, shall conduct yearly inspections of Homes to determine if any corrective action is needed to remedy any termite infestation or potential infestation. Declarant reserves for itself, the Community Association, and their grantees and designees, a perpetual, non-exclusive easement for ingress and egress over, under, across and through each Lot, together with the right to enter upon each Lot, for the purpose of exercising its rights and obligations under this Section. Entry into any Home, absent emergency conditions, shall not be made without the consent of the Homeowner or occupant thereof. An Homeowner shall not arbitrarily withhold consent to such entry by the Community Association or its designees for the purpose of discharging any duty or exercising any right granted by this Section; provided, however, that, the Community Association shall provide prior written notice to the Homeowner, at a reasonable time, and in a peaceful and reasonable manner, of the need for such access. IN NO EVENT SHALL THE COMMUNITY ASSOCIATION BE RESPONSIBLE FOR ANY DAMAGES OR COSTS OF REPAIRS CAUSED BY TERMITE INFESTATION, INSPECTION FOR TERMITE INFESTATION, OR THE REMOVAL OF TERMITE INFESTATION.

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Article VII: Maintenance by Homeowners: Failure to Maintain

7.1 **Maintenance by Homeowners.** Except as otherwise provided herein, the Homeowner shall provide exterior maintenance as follows, the costs for which each Homeowner shall be individually responsible: (a) maintenance, repair and replacement of rear screen porches, patios, lanais, and screened enclosures upon each Homeowner's Lot, if any; (b) repair or replacement of all windows (including glass surfaces, frames and structures) contained within the Home; (c) maintenance, repair and/or replacement of exterior doors; (d) maintenance, repair, or replacement resulting from any fire, wind, flood, tornado, hurricane or other casualty damage within the Lot; and (e) repair or replacement of any property, whether upon such Homeowner's Lot or any other Lot or the Common Property, which repair or replacement is required because of any negligence or the willful act of such Homeowner or any member of such Homeowner's family or household, or any invitee of such Homeowner. Any area or matter not specifically required to be maintained, repaired or replaced by the Community Association shall be maintained, repaired and replaced by the Homeowner.

7.2 **Failure to Maintain Home and/or Lots.** In the event a Homeowner of any Lot shall fail to maintain or repair the Lot and/or the Home in a manner required under this Declaration and as determined by the Community Association from time to time, within thirty (30) days' written notice of same, the Community Association, after approval by 2/3 vote of the Board of Directors, shall have the right, through its agents and employees, to enter upon said Lot and to repair, maintain, and restore the Lot and/or the Home as required under this Declaration and as determined by the Community Association. The cost of same shall be charged to the Homeowner as a Specific Assessment, the nonpayment of which may lead to foreclosure of the lien for such Specific Assessment in accordance with the provisions of Article VIII hereof.

Article VIII: Covenant for Assessments; Fines

8.1 **Assessments Established.** Each Homeowner of any Lot, by acceptance of a deed to such Lot, whether or not it is so expressed in such deed, is deemed to covenant to pay to the Community Association:

8.1.1 General Assessments, as defined in Section 8.2 hereof; and

8.1.2 Special Assessments, as defined in Section 8.6 hereof; and

8.1.3 Specific Assessments against any particular Lot that are established pursuant to any provision of this Declaration as provided in Section 8.7 hereof, provided, however, that no Specific Assessment shall be levied in connection with a fine levied by the Community Association pursuant to the Act;

8.1.4 All taxes, if any, that from time to time may be imposed upon all or any portion of the assessments established by this Article.

All of the foregoing, together with interest and all costs and expenses of collection, including reasonable attorneys' fees, are a continuing charge on the land secured by a continuing lien upon the Lot against which each assessment is made as provided in Section 8.12 hereof. Each such assessment, together with interest and all costs and expenses of collection, including reasonable attorneys' fees, also is the personal obligation of the person or persons who was or were the Homeowner(s) of such Lot when such assessment fell due.

8.2 **Purpose of Assessments; General Assessment.** The assessments levied by the Community Association must be used exclusively to promote the common good and welfare of the residents, to operate and manage the Community Association and the Common Properties, if any, and to perform such duties as

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may be required by this Declaration and the Articles of Incorporation and By-Laws of the Community Association. To effectuate the following, the Community Association may levy an annual general assessment ("General Assessment") to provide and be used for the operation, management and all other general activities and expenses of the Community Association.

8.3 Initial General Assessment. The initial General Assessment shall be Two Hundred Ninety Five and 00/100 Dollars (\$295.00) per month and will remain in effect until a different General Assessment may be determined as provided in Section 8.4 hereof.

8.4 Determination of General Assessment. Except with regard to the initial General Assessment, the amount of the General Assessment shall be fixed by the Board of Directors at least thirty (30) days in advance of each General Assessment period, and shall be based upon an adopted budget. The General Assessment period shall coincide with the Community Association's fiscal year. Except for the initial General Assessment, written notice of the amount of the General Assessment should be given to every Homeowner, but the failure to give or receive such notice, or both, shall not invalidate any otherwise valid assessment. The General Assessment shall be paid in equal monthly installments without interest until delinquent, and prepayable in whole at any time or times during the applicable assessment period without penalty or other consideration; provided, however, at the discretion of the Board of Directors, the General Assessment may be collected on a quarterly, semi-annual or annual basis rather than collected on a monthly basis.

8.5 Declarant Requirements for the Payment of Assessments. Prior to transfer of control pursuant to Section 5.4 hereof, Declarant may be excused, in its sole discretion, from payment of its share of the Common Expenses and Assessments related to the Lots owned by Declarant from time to time, provided that Declarant pays any operating expenses incurred by the Community Association that exceed the Assessments receivable from other Homeowners and other income of the Community Association. Such deficit funding shall not preclude the levying of Special Assessments against the Homeowners to defray the costs of Community Association expenses not contemplated under the Community Association's estimated operating budget for that fiscal year. Subsequent to transfer of control pursuant to Section 5.4 hereof, Declarant shall be responsible for the payment of Assessments only upon Lots which it owns and on which a Home has been constructed for which a certificate of occupancy has been issued.

8.6 Special Assessments. In addition to the General Assessment, the Community Association may levy in any fiscal year a special assessment ("Special Assessment") applicable to that year only for the purpose of defraying, in whole or in part, known expenses which exceeded, or when mature will exceed, the budget prepared and on which the General Assessment was based, or as described in Section 8.5 of this Article. Notwithstanding the foregoing, no Special Assessment against the Homeowners shall exceed 1/12 of the total of the General Assessments levied against the Homeowners for that fiscal year without the prior approval of 75% of the total voting interests in the Community Association. So long as the Declarant holds title to any Lot, no Special Assessments shall be imposed without the prior written consent of the Declarant.

8.7 Specific Assessments. Any and all accrued liquidated indebtedness of any Homeowner to the Community Association arising under any provision of this Declaration also may be assessed by the Community Association against such Homeowner's Lot after such Homeowner fails to pay it when due and such default continues for thirty (30) days after written notice; provided, however, that no Specific Assessment shall be levied in connection with a fine levied by the Community Association pursuant to the Act.

8.8 Uniformity of Assessments. The General Assessment and any Special Assessment must be uniform for each Homeowner throughout the Community.

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8.9 Commencement of General Assessment. The General Assessment as to each Lot owned by a Homeowner other than the Declarant shall be prorated as of the day of closing for the current installment period, and thereafter the first full payment shall be due and owing on the first day of the next full installment period.

8.10 Lien for Assessment. All sums assessed against any Lot, together with interest and all costs and expenses of collection, including reasonable attorneys' fees and costs and any late fees as may be imposed by the Community Association, are secured by a lien on such Lot in favor of the Community Association. Such lien is subject and inferior to the lien for all sums validly secured by any First Mortgage encumbering such Lot. Except for liens for all sums validly secured by any such First Mortgage, all other lienors acquiring liens on any Lot after this Declaration is recorded are deemed to consent that such liens are inferior to the lien established by this Article, whether or not such consent is specifically set forth in the instrument creating such lien. The recordation of this Declaration constitutes constructive notice to all subsequent purchasers and/or creditors of the existence of the Community Association's lien and its priority. The Community Association from time to time may record a Notice of Lien for the purpose of further evidencing the lien established by this Article, but neither the recording of, nor failure to record, any such notice of lien will affect the existence or priority of the Community Association's lien. In the event that any Homeowner desires to sell or otherwise transfer title of his or her Home (by sale, gift or judicial decree), the transferor shall be jointly and severally liable with the transferee for all of the transferor's obligations to the Community Association which have become due and payable on or before the date of the transfer with respect to the transferred Home, including payment of all Assessments, notwithstanding the transfer of title to the Home.

8.11 Certificate. Upon demand, and for a reasonable charge, the Community Association will furnish to any interested person a certificate signed by an officer of the Community Association setting forth whether the General Assessment and any Special Assessment and Specific Assessment have been paid and, if not, the unpaid balance(s).

8.12 Remedies of the Community Association. Any Assessment not paid within thirty (30) days after its due date shall bear interest at the rate of 15% per annum or such other rate as may be from time to time determined by the Board; provided, however, that such rate shall not exceed the maximum rate allowed by law not constituting usury. The Community Association may bring an action at law against the Homeowner personally obligated to pay such Assessment, or foreclose its lien against such Homeowner's Lot. No Homeowner may waive or otherwise escape liability for Assessments. A suit to recover a money judgment for unpaid Assessments may be maintained without foreclosing, waiving, or otherwise impairing the security of the Community Association's lien or its priority. The Community Association shall be entitled impose a late fee for costs associated with and/or incurred in connection with non-payment of any Assessment, and to accelerate payment of all remaining Assessments for the current fiscal year.

8.13 Foreclosure. The lien for sums assessed pursuant to this Article may be enforced by judicial foreclosure in the same manner in which mortgages on real property from time to time may be foreclosed in the State of Florida. In any such foreclosure, the Homeowner is required to pay all costs and expenses of foreclosure, including reasonable attorneys' fees. All such costs and expenses are secured by the lien foreclosed. The Homeowner also is required to pay to the Community Association any assessments against the Lot that become due during the period of foreclosure, which assessments also are secured by the lien foreclosed and accounted on a pro rata basis and paid as of the date the Homeowner's title is divested by foreclosure. The Community Association has the right and power to bid at the foreclosure or other legal sale to acquire the Lot foreclosed, or to acquire such Lot by deed or other proceeding in lieu of foreclosure, and thereafter to hold, convey, lease, rent, encumber, use, and otherwise deal with such Lot as its Homeowner for purposes of resale only. If any foreclosure sale results in a deficiency, the court having jurisdiction over the foreclosure may enter a personal judgment against the Homeowner for such deficiency.

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8.14 Subordination of Lien. Except where a notice of lien has been filed in the public records prior to the recording of a valid First Mortgage, the lien for the assessments provided in this Article is subordinate to the lien of any such First Mortgage. Sale or transfer of any Lot does not affect the assessment lien. The Community Association may give any encumbrancer of record thirty (30) days' notice within which to cure such delinquency before instituting foreclosure proceedings against the Lot. Any encumbrancer holding a lien on a Lot may pay, but is not required to pay, any amounts secured by the lien established by this Article; upon such payment, such encumbrancer will be subrogated to all rights of the Community Association with respect to such lien, including priority.

8.15 Application of Payments Received from a Homeowner. Any payments received by the Community Association from a delinquent Homeowner shall be applied first to any interest accrued as provided in this Article VIII, then to any administrative late fee, then to any fines levied by the Community Association pursuant to the applicable provisions of this Declaration, the By-Laws and the Act, then to costs and reasonable attorneys' fees incurred in collection as provided in this Article VIII, and then finally to any delinquent and/or accelerated Community Association assessments. The foregoing application of funds received shall be applicable despite any restrictive endorsement, designation, or instruction placed on or accompanying a payment.

8.16 Homesteads. By acceptance of a deed to any Lot, each Homeowner is deemed to acknowledge conclusively and consent that all assessments established pursuant to this Article are for the improvement and maintenance of any homestead thereon and that the Community Association's lien has priority over any such homestead.

8.17 Reserves. At the commencement of the Community, the Community Association budget shall contain certain reserves for future or deferred maintenance, and such reserves shall be collected as Common Expenses. From time to time, the Community Association, through the Board, may elect to collect reserves, in which event such amounts shall be a Common Expense. If the Board determines that reserves are to be collected, (a) the Board shall determine the appropriate level of the reserves based on a periodic review of the useful life of the improvements to the Common Properties and equipment owned by the Community Association, as well as periodic projections of the cost of anticipated major repairs or improvements to the Common Properties, the purchase of equipment to be used by the Community Association in connection with its duties hereunder, and/or performance of required maintenance of Homes pursuant to this Declaration, and (b) the Community Association's budget shall disclose the exact monies collected and the reserve categories involved.

8.18 Working Capital Contributions.

8.18.1 At the time the initial sale of each Lot is closed, the purchaser of the Lot shall pay to the Community Association an "Initial Working Capital Contribution" in the amount of \$300.00. This sum shall be used and applied for start-up costs and as a working capital contribution in connection with all initial and ongoing operating expenses for the Community Association. This payment shall not be refundable or applied as a credit against the Homeowner's payment of Assessments.

8.18.2 Subsequent to the initial sale of a Lot, upon the conveyance of a Lot from Homeowner to another, the purchaser of the Lot may be required to pay to the Community Association a "Resale Capital Contribution." This sum shall be used and applied to offset administrative and other costs and expenses associated with the transfer of ownership of the Lot, and shall not be refundable or applied as a credit against the Homeowner's payment of Assessments. The Board shall set the amount of the Resale Capital Contribution from time to time.

8.19 Fines. The Community Association shall have the power, but not the duty, to impose fines against a Homeowner for each and any violation of the provisions of this Declaration, the Articles, the By-

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Laws and/or the Rules and Regulations; provided, however, that any such fine shall only be levied in accordance with the applicable provisions of the Act. The maximum fine to be levied against a Homeowner shall not exceed the greater of (a) \$100.00 per violation per day (not to exceed \$1,000.00 in the aggregate) or (b) the maximum amount permitted under the Act. A fine may also be levied against a Homeowner for violations committed by any tenant, guest, licensee or invitee of such Homeowner. Additional provisions pertaining to fines may be contained in the By-Laws for purposes of amplification.

Article IX: Miscellaneous Provisions Respecting Mortgages

The following provisions are intended for the benefit of a First Mortgagee and to the extent, if at all, that any other provisions of this Declaration conflict with the following provisions, the following provisions shall control:

9.1 Notices of Overdue Assessments; Foreclosure. Upon request in writing to the Community Association identifying the name and address of the First Mortgagee or the insurer or guarantor of a recorded First Mortgage on a Lot ("Insurer or Guarantor") and the Lot number, the Community Association shall furnish each First Mortgagee, Insurer or Guarantor a written notice of such Homeowner's obligations under this Declaration which is not cured within sixty (60) days. Any First Mortgagee of a Lot who comes into possession of the said Lot pursuant to the remedies provided in the Mortgage, foreclosure or a deed in lieu of foreclosure shall, to the extent permitted by law, take such property free of any claims for unpaid assessments or charges in favor of the Community Association against the mortgaged Lot which become due prior to (i) the date of the transfer of title, or (ii) the date on which the holder comes into possession of the Lot, whichever occurs first.

9.2 Rights of First Mortgagees, Insurers and Guarantors. Upon request in writing, each First Mortgagee, Insurer or Guarantor shall have the right:

9.2.1 to examine current copies of this Declaration, the By-Laws, all Rules and Regulations, and the books and records of the Community Association during normal business hours;

9.2.2 to receive, without charge and within a reasonable time after such request, any annual audited or unaudited financial statements which are prepared and distributed by the Community Association to the Homeowners at the end of each of its respective fiscal years; provided, however, that in the event an audited financial statement is not available, any First Mortgagee shall be entitled to have such an audited statement prepared at its expense;

9.2.3 to receive written notices of all meetings of the Community Association and to designate a representative to attend all such meetings;

9.2.4 to receive written notice of any decision by the Homeowners to make a material amendment to this Declaration, the By-Laws or the Articles of Incorporation;

9.2.5 to receive written notice of any lapse, cancellation or modification of an insurance policy or fidelity bond maintained by the Community Association; and

9.2.6 to receive written notice of any action which would require the consent of a specified percentage of First Mortgagees.

9.3 Distribution of Proceeds. No provision of this Declaration or the Articles of Incorporation or any similar instrument pertaining to the Property or the Lots therein shall be deemed to give a Homeowner or any other party priority over the rights of the First Mortgagees pursuant to their mortgages in the case of distribution to Homeowners of insurance proceeds or condemnation awards for losses to or a

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taking of the Lots, and/or the Common Property, or any portion thereof or interest therein. In such event, the First Mortgagees, Insurers or Guarantors of the Lots affected shall be entitled, upon specific written request, to timely written notice of any such loss.

9.4 Termination of the Community. Unless the First Mortgagees of the individual Lots representing at least 67% of the votes in the Community Association have given their prior written approval, neither the Community Association nor the Homeowners shall be entitled to terminate the legal status of the Community for reasons other than substantial destruction or condemnation thereof.

9.5 Notice of Damage, Destruction or Condemnation. Upon specific written request to the Community Association, a First Mortgagee, Insurer or Guarantor of a Lot shall be furnished notice in writing by the Community Association of any damage to or destruction or taking of the Common Property if such damage or destruction or taking exceeds \$10,000.00. If damages shall occur to such Lot in excess of \$1,000.00, notice of such event shall also be given.

9.6 Condemnation; Priority of Awards. If any Lot, Home thereon or portion thereof or the Common Property or any portion thereof is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, then the First Mortgagee, Insurer or Guarantor of said Lot will be entitled to timely written notice, upon specific written request, of any such proceeding or proposed acquisition, and no provisions of any document will entitle the Homeowner of such Lot or other party to priority over such First Mortgagee with respect to the distribution to such Lot of the proceeds of any award or settlement.

9.7 Rights of Mortgagees. Any First Mortgagee has the following rights:

9.7.1 Inspection. During normal business hours, and upon reasonable notice and in a reasonable manner, to inspect the books, records, and papers of the Community Association.

9.7.2 Copies. Upon payment of any reasonable, uniform charge that the Community Association may impose to defray its costs, to receive copies of the Community Association's books, records, or papers, certified upon request.

9.7.3 Financial Statements. Upon written request to the secretary of the Community Association, to receive copies of the annual financial statements of the Community Association; provided, however, the Community Association may make a reasonable charge to defray its costs incurred in providing such copies.

9.7.4 Meetings. To designate a representative to attend all meetings of the membership of the Community Association, who is entitled to a reasonable opportunity to be heard in connection with any business brought before such meeting but in no event entitled to vote thereon.

By written notice to the secretary of the Community Association, and upon payment to the Community Association of any reasonable annual fee that the Community Association from time to time may establish for the purpose of defraying its costs, any First Mortgagee also is entitled to receive any notice that it required to be given to the Class A Members of this Community Association under any provision of this Declaration or the Articles of Incorporation or By-Laws.

Article X: Damage, Destruction, Condemnation and Restoration of Improvements

10.1 Damage, Destruction and Restoration. In the event the improvements forming a part of the Common Property, or any portion thereof, shall suffer damage or destruction from any cause and the

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proceeds of any policy or policies insuring against such loss or damage, and payable by reason thereof, plus reserves (if any), shall be sufficient to pay the cost of repair or restoration or reconstruction, then such repair, restoration or reconstruction shall be undertaken and the insurance proceeds and the reserves (if any), shall be applied by the Board or the payee of such insurance proceeds in payment therefore; provided, however, that in the event, within 180 days after said damage or destruction, the Homeowners shall elect to withdraw the Property from the provisions of this Declaration, or if the insurance proceeds and the reserves (if any) are insufficient to reconstruct the damaged or destroyed improvements to the Common Property and the Homeowners and all other parties in interest do not voluntarily make provision for reconstruction within 180 days from the date of damage or destruction, then such repair, restoration, or reconstruction shall not be undertaken. In the event such repair, restoration, or reconstruction is not undertaken, the net proceeds of insurance policies shall be divided by the Board or the payee of such insurance proceeds among all Homeowners, after first paying from the share of each Homeowner the amount of any unpaid liens on his Lot, in the order of the priority of such liens.

10.2 Withdrawal of Property From Declaration. In the case of damage or other destruction, upon the unanimous affirmative vote of the Homeowners voting at a meeting called for that purpose, any portion of the Property affected by such damage or destruction may be withdrawn from this Declaration. The payment of just compensation, or the allocation of any insurance or other proceeds to any withdrawing or remaining Homeowners, shall be on an equitable basis. Any insurance or other proceeds available in connection with the withdrawal of any portion of the Common Property shall be allocated to the Homeowners on the basis of an equal share for each Lot. Upon the withdrawal of any Lot or portion thereof, the responsibility for the payment of assessments on such Lot or portion thereof by the Homeowner shall cease.

10.3 Eminent Domain. In the event any portion of the Property is taken by condemnation or eminent domain proceedings, provision for withdrawal of the portion so taken from the provisions of this Declaration may be made by the Board. The allocation of any condemnation award or other proceeds to any withdrawing or remaining Homeowner shall be on an equitable basis. Any condemnation award or other proceeds available in connection with the withdrawal of any portion of the Common Property shall be allocated to the Homeowners on the basis of an equal share for each Lot. Upon the withdrawal of any Lot or portion thereof, the responsibility for the payment of assessments on such Lot or portion thereof by the Homeowner shall cease. The Community Association shall represent the Homeowners in any condemnation proceedings or in negotiations, settlements and agreements with the condemning authority for the acquisition of the Common Property or any part thereof. In the event of the total taking of the Property by eminent domain, the condemnation award available in that connection shall be divided by the Community Association among all Homeowners on the basis of an equal share for each Lot, after first paying from the share of each Homeowner the amount of any unpaid liens on his Lot, in the order of the priority of such liens.

Article XI: Surface Water Drainage and Management System: Conservation and Wetland Areas

11.1 Owner Acknowledgment. All Owners acknowledge that the Property is located within the boundaries of the WMD. Due to groundwater elevations underneath the Property, priorities established by governmental authorities and other causes outside of the reasonable control of Declarant, and the Community Association, water levels may fluctuate at certain times during the year and such fluctuations may be material. Neither Declarant nor the Community Association shall have any liability for aesthetic conditions, damage to plantings or direct or consequential damages of any nature caused by the fluctuation of water levels.

11.2 System Defined. The "Surface Water Drainage and Management System" shall be the portions of the Property including improvements thereon which are designed and constructed or

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implemented to control discharges which are necessitated by rainfall events, incorporating methods to collect, convey, store, absorb, inhibit, treat, use or reuse water or prevent or reduce flooding, overdrainage, environmental degradation, and water pollution or otherwise effect the quantity and quality of discharges from such system as contemplated or provided in the applicable permits, development orders or other authorizations pertaining to the development of the Property. The Surface Water Drainage and Management System shall be governed by the WMD Permit.

11.3 Maintenance by the Community Association. The Surface Water Drainage and Management System shall be owned and maintained by the Community Association in compliance with all approvals, codes and regulations of governmental authorities and the WMD. Maintenance of the Surface Water Drainage and Management System 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 WMD and shall specifically include, but not be limited to, maintenance of aquatic vegetation, lake beds, lake banks, lake liners, littoral planting and lake maintenance easements which pursuant to the terms of this Declaration, plat or agreement are not the responsibility of others, as well as water quality and wetland monitoring or testing. Any repair or reconstruction of the surface water or stormwater management system shall be as permitted by the WMD.

11.4 Prohibited Actions. Neither the Community Association nor any Owner shall take any action which modifies the Surface Water Drainage and Management System in a manner which changes the flow of drainage of surface water, except to the extent the same is approved by the requisite governmental or quasi-governmental authorities, Declarant so long as Declarant owns any portion of the Property, and the party who has the obligation to maintain the Surface Water Drainage and Management System.

11.5 Easements. The Property shall be burdened with easements for drainage and flow of surface water in a manner consistent with the approved and constructed Surface Water Drainage and Management System. The Community Association and the WMD shall have a non-exclusive easement for use of Surface Water Drainage and Management System, and an easement for ingress, egress and access to enter upon any portion of the Property in order to construct, maintain or repair, as necessary, any portion of the Surface Water Drainage and Management System provided such easement rights shall be exercised in a manner which does not unreasonably disturb use or condition of the Property.

11.6 Conveyance by Declarant. Declarant may convey its ownership interest in the lakes within the Property to the Community Association, together with easements for maintenance and other drainage improvements, such as by way of example and without limitation, weirs and underground pipes.

11.7 Amendments Impacting the Surface Water Drainage and Management System. Any amendment of this Declaration which would affect the Surface Water Drainage and Management System or the responsibility of the Community Association to maintain or cause to be maintained the Surface Water Drainage and Management System must be approved by the WMD. If the WMD determines that an amendment to the WMD Permit is required in order for an amendment to this Declaration to be effective, the WMD Permit shall be amended first.

11.8 Enforcement. Declarant, the WMD, the Community Association and each Owner 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, monitoring, repair and replacement of the Surface Water Drainage and Management System and maintenance of all easements and rights-of-way.

11.9 Conservation and Wetland Areas. Certain portions of the Property may contain or be adjacent to wetland preservation or mitigation areas and upland buffers that are or may be designated as conservation areas on the plats for the Property or pursuant to separate written instruments ("Conservation

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Areas"), and any such Conservation Areas will be protected by and be subject to conservation easements in favor of the County, the WMD and/or the U.S. Army Corps of Engineers, as and to the extent applicable ("Conservation Easements"). If so applicable, the terms of the Conservation Easements shall provide that the Conservation Areas shall be maintained and managed in perpetuity by the Community Association, its successors and assigns, and the Community Association shall enforce the terms and conditions of the Conservation Easements. In accordance with the terms of the Conservation Easements, the Community Association shall be responsible for the installation and perpetual maintenance of permanent physical signs/markers designating the Conservation Areas as required by the WMD.

The Property may consist of wetlands areas which will contain special wetlands vegetation, and such areas shall be maintained and managed in perpetuity by the Community Association and its successors and assigns. No wetland or upland buffer areas may be altered from their natural or permitted condition, with the exception of exotic or nuisance vegetation removal, or restoration in accordance with the restoration plan included in the Conservation Easements. Exotic vegetation may include, but shall not be limited to, Melaleuca, Brazilian pepper, Australian pine and Japanese climbing fern, or any other species currently listed by the Florida Exotic Pest Control Council. Nuisance vegetation may include, but shall not be limited to, cattails, primrose willow and grape vine.

THE CONSERVATION AREAS ARE HEREBY DEDICATED AS COMMON PROPERTY, SHALL BE THE PERPETUAL RESPONSIBILITY OF THE COMMUNITY ASSOCIATION, AND MAY IN NO WAY BE ALTERED FROM THEIR NATURAL OR PERMITTED STATE. ACTIVITIES PROHIBITED WITHIN THE CONSERVATION AREAS INCLUDE, BUT ARE NOT LIMITED TO, CONSTRUCTION OR PLACING OF BUILDINGS ON OR ABOVE THE GROUND; DUMPING OR PLACING SOIL OR OTHER SUBSTANCES SUCH AS TRASH; REMOVAL OR DESTRUCTION OF TREES, SHRUBS OR OTHER VEGETATION, WITH THE EXCEPTION OF EXOTIC/NUISANCE VEGETATION REMOVAL; EXCAVATION, DREDGING OR REMOVAL OF SOIL MATERIAL; DIKING; OR ANY OTHER ACTIVITIES DETRIMENTAL TO DRAINAGE, FLOOD CONTROL, WATER CONSERVATION, EROSION CONTROL, OR FISH AND WILDLIFE HABITAT CONSERVATION OR PRESERVATION.

If Declarant enters into any agreement for the maintenance of any conservation and/or wetlands areas relating to the Property, Declarant shall have the right to assign its duties and obligations with respect to such wetlands areas to the Community Association, and the Community Association will be obligated to accept such assignment. The Community Association shall indemnify, defend and hold Declarant harmless from and against any liability that Declarant may have as a result of the Community Association's failure to properly maintain any wetlands areas, as herein provided.

If and to the extent there are any conservation areas within the Property, the following activities shall be prohibited upon the lands of such conservation areas: (a) construction or placing of buildings, signs, billboards or other advertising, utilities or other structures on or above the ground; (b) dumping or placing of 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, except for the removal of exotic vegetation in accordance with a WMD-approved maintenance plan; (d) excavation, dredging or removal of loam, peat, gravel, soil, rock or other material substance in such manner as to affect the surface; (e) surface use, except for purposes that permit the land or water area to remain in its natural condition; (f) activities detrimental to drainage, flood control, water conservation, erosion control, soil conservation, or fish and wildlife habitat preservation, including, but not limited to, ditching, diking and fencing; (g) acts or uses detrimental to such aforementioned retention of land or water areas; and (h) acts or uses which are detrimental to the preservation of any features or aspects of the Property having historical or archaeological significance.

11.10 Copies of the WMD Permit and any future WMD permit actions shall be maintained by the Community Association's registered agent for its benefit. The WMD has the right to take enforcement

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action including a civil action, for an injunction and penalties against the Community Association, to compel the Community Association to correct any outstanding problems with the surface water management system facilities or in mitigation or conservation areas under the responsibility or control of the Community Association.

11.11 If the Association ceases to exist, all of the Homeowners shall be jointly and severally responsible for the operation and maintenance of the Surface Water Drainage and Management System facilities in accordance with the requirements of the WMD Permit.

11.12 If applicable, monitoring and management of the mitigation areas described in the WMD Permit shall be the responsibility of the Community Association. Furthermore, if applicable, the Community Association shall be responsible for successful completion of the mitigation in accordance with the success criteria described in the WMD Permit.

Article XII: Termination of the Community

At a meeting called for such purpose and attended by all Homeowners, the Homeowners, by affirmative vote of 90% of the Homeowners, may elect to terminate the legal status of the Community and sell the Common Property as a whole. Within ten (10) days after the date of the meeting at which such sale was approved, the Board shall give written notice of such action to all First Mortgagees, Insurers and Guarantors entitled to notice under Article IX of this Declaration, and the termination shall only be effective upon the affirmative vote required under Section 9.4 hereof. Such action shall be binding upon all Homeowners, and it shall thereupon become the duty of every Homeowner to execute and deliver such instruments and to perform all acts in manner and form as may be necessary to effect such termination and sale. The Community Association shall represent the Homeowners in any negotiations, settlements and agreements in connection with termination of the Community and sale of the Common Property, and any proceeds obtained therefrom shall be first used to pay all expenses and outstanding obligations of the Community Association and the remainder, if any, shall be divided among all Homeowners on the basis of an equal share for each Lot.

Article XIII: Operation

The provisions of this Declaration are self-executing and will run with the land and be binding upon all persons having any right, title, or interest therein, or any part, their respective heirs, successors, and assigns.

Article XIV: General Provisions

14.1 **Enforcement.** Unless expressly provided otherwise, the Community Association, or any Homeowner, has the right to enforce, by any appropriate proceeding at law or in equity, all restrictions, conditions, covenants, easements, reservations, liens, charges, rules, and regulations now or hereafter imposed by, or pursuant to, the provisions of this Declaration. If the Community Association or any person entitled to enforce any of the provisions of this Declaration is the prevailing party in any litigation involving this Declaration or any rule or regulation, such party may recover from the losing party all costs and expenses incurred, including reasonable attorneys' fees for all trial and appellate proceedings, if any. If the Community Association is the losing party against any Homeowner, such costs and expenses, including reasonable attorneys' fees, payable to the prevailing party and those incurred by the Community Association itself, may be assessed against such Homeowner's Lot, as provided in Article VIII of this Declaration. Failure by the Community Association or by any Homeowner to enforce any covenant, restriction, rule, or regulation will not constitute a waiver of the right to do so at any time.

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14.2 Amendment. Except as may be otherwise provided herein, Declarant may amend this Declaration by an instrument executed with the formalities of a deed without the approval or joinder of any other party at any time prior to the date on which Declarant shall have conveyed 90% of the Lots on the Property. Except as may be otherwise provided herein, commencing on the date that Declarant shall have conveyed 90% of the Lots on the Property, this Declaration may be amended by the affirmative vote of not less than two-thirds (2/3) of a majority of the total voting interests in the Community Association who are present in person or by proxy at a duly-called and noticed meeting of the Community Association membership. In lieu of a vote taken at a meeting, the instrument executed by each of the owners agreeing to an amendment shall be deemed effective, provided that (i) each owner executes the amendment instrument with the formalities of a deed, and (ii) the Community Association, through its president, certifies the proper approval of the amendment. No amendment is effective until recorded, and the Community Association's proper execution will entitle it to public record. Notwithstanding the foregoing, (a) no instrument of amendment, rescission or termination shall be effective while there are Class B memberships unless 100% of the Class B Members shall approve and join in such instrument, and (b) no amendment which will affect any aspect of the surface water management system located on the Property shall be effective without the prior written approval of the Southwest Florida Water Management District. For purposes of this Section, a Lot shall be considered conveyed when the deed is duly recorded.

14.3 Special Amendment. Anything herein to the contrary notwithstanding, and subject to the requirement of First Mortgagee approval set forth herein where applicable, Declarant reserves the right and power to record a special amendment ("Special Amendment") to this Declaration, at any time and from time to time, which amends this Declaration and any provision therein: (i) to comply with requirements of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Department of Housing and Urban Development, the Federal Housing Administration, the Veteran's Administration, or any other governmental agency or any other public, quasi-public or private entity which performs (or may in the future perform) functions similar to those currently performed by such entities; (ii) to induce any of such agencies or entities to make, purchase, sell, insure, guarantee or otherwise deal with first mortgages covering Lots; (iii) to correct clerical or typographical errors in this Declaration; (iv) to bring this Declaration into compliance with applicable laws, ordinances or governmental regulations; or (v) to minimize any federal or state income tax liability of the Community Association. In furtherance of the foregoing, a power coupled with an interest is hereby reserved and granted to the Declarant to make or consent to a Special Amendment on behalf of each Homeowner and the Community Association. Each deed, mortgage, trust deed, other evidence of obligation, or other instrument affecting a Lot and the acceptance thereof shall be deemed to be a grant and acknowledgment of, and a consent to the reservation of, the power of the Declarant to make, execute and record Special Amendments. The right and power of Declarant to make Special Amendments hereunder shall terminate on December 31, 2021, or on the date of the conveyance of all Lots in the Community by the Declarant to third parties, whichever occurs last.

14.4 Additions to the Property.

14.4.1 Additional land may be made subject to all the terms hereof and brought within the jurisdiction and control of the Community Association in the manner specified in this Section, provided such is done within thirty (30) years from the date this Declaration is recorded. Notwithstanding the foregoing, however, under no circumstances shall Declarant be required to make such additions, and until such time as such additions are made to the Property in the manner hereinafter set forth, no other real property owned by Declarant or any other person or party whomsoever, other than within the Property, shall in any way be affected by or become subject to this Declaration. All additional land which, pursuant to this Section, is brought within the jurisdiction and control of the Community Association and made subject to the Declaration shall thereupon and thereafter be included within the term "Property" as used in this Declaration. Notwithstanding anything contained in this Section, Declarant neither commits to, nor

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warrants or represents, that any such additional land will be made subject to and brought within the jurisdiction and control of the Community Association.

14.4.2 Procedure for Making Additions to the Property. Additions to the Property may be made by the following procedure:

14.4.2.1 Declarant shall have the right from time to time, in its discretion and without need for consent or approval by either the Community Association, any Homeowner, Resident or other Person to make additional land owned by Declarant subject to the scheme of this Declaration and to bring such land within the jurisdiction and control of the Community Association; provided, however, in the event any portion of such additional land is encumbered by one or more mortgages, Declarant must obtain the consent and approval of each holder of such mortgage(s).

14.4.2.2 The addition shall be accomplished by Declarant filing of record in the public records a supplement to this Declaration with respect to the additional land extending the terms of the covenants and restrictions of this Declaration to such land as specifically and legally described. Such supplement need only be executed by Declarant and shall be accompanied by the consent(s) and joinder(s) of any holder(s) of mortgage(s) on such additional land. No joinder or consent of the Community Association, any Homeowner, Resident or other Person shall be required. Such supplement may contain such additional provisions and/or modifications of the covenants and restrictions contained in this Declaration as may be necessary to reflect the different character, if any, of the added land or permitted uses thereof. In no event, however, shall such additional provisions and/or modifications revoke, modify, or add to the covenants and restrictions established by this Declaration as such affect the land described in the original Exhibit A or added by a previous supplement.

14.4.2.3 Nothing contained in this Section shall obligate Declarant to make additions to the Property.

14.5 Severability. Invalidity of any particular provision of this Declaration by judgment or court order will not affect any other provision, all of which shall remain in full force and effect; provided, however, any court of competent jurisdiction is hereby empowered, to the extent practicable, to reform any otherwise invalid provision contained in this Declaration when necessary to avoid a finding of invalidity while effectuating Declarant's intent of providing a comprehensive plan for the use, development, sale, and beneficial enjoyment of the Community.

14.6 Joinder. Should title to any Lot of the Community have been conveyed by Declarant prior to the recording of this Declaration, such Homeowners of Lots by their signature to a Joinder shall be deemed to have joined with the Homeowner in the recording of this Declaration and shall have subordinated their right, title and interest in the Lot to the terms hereof and declare that their property shall be subject to this Declaration as fully as if title had been taken by them subsequent to the recording hereof.

14.7 Covenant Running with the Property. Except as otherwise provided herein, the covenants, conditions and restrictions of this Declaration shall run with and be binding upon the Property, and shall remain in force and be enforced by the Board of Directors and the Homeowners, their heirs, successors and assigns, for a term of thirty (30) years after the date this Declaration is recorded in the public records of the County, and shall be automatically renewed for successive periods of ten (10) years, unless the Homeowners, upon the affirmative vote of the holders of 70% of the voting interests decide within six (6) months of such renewal date, not to renew these covenants, conditions and restrictions, and a certificate executed by the president or the vice-president and secretary of the Community Association certifying to such vote is recorded in the public records of the County.

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Each Homeowner, by virtue of taking title to a Lot, hereby agrees that the deed of conveyance of the Lot to a third party shall specifically state that the Lot is subject to the terms of this instrument and shall state the recording book and page information for this instrument as recorded in the public records of the County. The intent of this provision is to defeat any potential argument or claim that Chapter 712, Florida Statutes, has extinguished the application of this instrument to each of the Lots.

14.8 Amendment Pertaining to Surface Water Management System. Notwithstanding any provisions to the contrary contained in this Declaration, any amendment which will affect the Surface Water Drainage and Management System, including the management portion of the Common Property, serving the Community, must have the prior written approval of the Southwest Florida Water Management District in order to be effective and binding.

14.9 Amplification. The provisions of this Declaration are amplified by the Articles of Incorporation and By-Laws, but no such amplification will alter or amend substantially any of the rights or obligations of the Homeowners set forth in this Declaration. Declarant intends the provisions of this Declaration, on the one hand, and the Articles of Incorporation and By-Laws, on the other, to be interpreted, construed, applied, and enforced to avoid inconsistencies or conflicting results. If such conflict necessarily results, however, Declarant intends that the provisions of this Declaration control anything in the Articles of Incorporation or By-Laws to the contrary. The terms defined in this Declaration shall have same meanings in the Articles of Incorporation and By-Laws, unless otherwise provided.

14.10 Homeowner Cooperation. No person shall use the Property, or any part thereof, in any manner contrary to or not in accordance with the Rules and Regulations and any provisions set forth in the By-Laws. The Homeowner shall not permit or suffer anything to be done or kept in such Owner's Home and/or Lot which will increase the rate of any insurance purchased by the Community Association for the Property or any portion thereof, or which will obstruct or interfere with the rights of other Homeowners, or annoy them by unreasonable noises, or otherwise, nor shall the Homeowners commit or permit any nuisance, immoral or illegal acts in or about the Property.

14.11 Resolution of Disputes. All issues or disputes which are recognized by the Act or by administrative rules promulgated under the Act as being appropriate or required for dispute resolution shall be submitted to such dispute resolution procedures contained in the Act prior to institution of civil litigation.

14.12 Flood Zones. Flood zone determinations are made by the Federal Emergency Management Agency. Declarant makes no assurance, with regard to any portion of the Property, that any flood zone designation for a Lot existing as of a particular date will remain the same. Declarant further advises that any such flood designation could be changed due to re-grading of the land as a result of the land development process. Each Homeowner, by virtue of taking title to a Lot, acknowledges and agrees, and shall be deemed to have acknowledged and agreed, that Declarant has no involvement in the determination or designation of flood zone designations for any portion of the Property.

14.13 Access Control and Systems.

14.13.1 Declarant and the Community Association may, but shall not be obligated to, maintain or support certain activities within the Community designed to make the Community more secure than they otherwise might be. Neither the Community Association nor Declarant shall in any way be considered insurers or guarantors of privacy or safety within the Community or upon the Property, and in no manner shall the Community Association or Declarant be held liable for any loss or damage by reason of failure to provide adequate privacy or ineffectiveness of privacy or safety measures undertaken.

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14.13.2 Each Homeowner, occupant of a Home, family members, residents, tenants, guests and invitees of any Homeowner, as applicable, acknowledge and agree, and shall be deemed to have acknowledged and agreed, that:

14.13.2.1 Declarant and the Community Association, and the officers, directors and supervisors of each of them, do not represent or warrant that any fire protection system, electronic monitoring system or other privacy system designated by or installed according to guidelines established by Declarant or the ARC may not be compromised or circumvented, that any fire protection or electronic monitoring systems or other privacy systems will prevent loss by fire, smoke, burglary, theft, hold-up, or otherwise, and that fire protection or electronic monitoring systems or other privacy systems will in all cases provide the detection or protection for which the system is designed or intended.

14.13.2.2 Each Homeowner, occupant of a Home, family members, residents, tenants, guests and invitees of any Homeowner, as applicable, assumes any and all risks for loss or damage to persons, to Homes and to the contents of Homes; and

14.13.2.3 The Community Association and Declarant have made no representations or warranties, nor has any Homeowner, occupant of a Home, family members, residents, tenants, guests and invitees of any Homeowner, as applicable, relied upon any representations or warranties, expressed or implied, including any warranty of merchantability or fitness for any particular purpose, relative to any fire and/or electronic monitoring systems or other privacy systems recommended or installed or any privacy measures undertaken within the Community and upon the Property.

14.14 Water Service to the Homes. The following provision is required to be contained in this Declaration with regard to water service to the Homes:

Water for the entire townhouse complex will be purchased from the public utility, and that the public utility will determine water usage for the entire townhouse development by way of master meter. The undivided share of ownership of the common elements of the project will be based upon an equal fractional basis thus making the fractional share of liability for common expenses of the project also based on the same fractional basis. This provision will not be amended without first notifying the DEP or their assignee. The unit owners will not receive an individual water bill, an itemized bill covering all fees that breaks out the water usage as a separate item or that there will be any other method for prorating the costs of the water to the units.

For purposes of the above provision, (a) the phrase "unit owner" shall mean a Homeowner, (b) the phrase "entire townhouse complex" shall mean all of the Homes in the Community, (c) the phrase "entire townhouse development" and the term "project" shall mean the Community, (d) the term "unit" shall mean a Home, and (e) in order to clarify the obligation to pay for water service, the Homeowners shall be equally liable for the costs of water service to the Homes, which shall be a Common Expense.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

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IN WITNESS WHEREOF, Declarant has duly executed this instrument on this 15th day
of January, 2007.

WITNESSES:

KB HOME TAMPA LLC, a Delaware
limited liability company

[Signature]
Name: Chloe Firebaugh

By: [Signature]
Marshall Gray, Division President
(SEAL)

[Signature]
Name: Anthony M. Carerra

STATE OF FLORIDA
COUNTY OF HILLSBOROUGH

The foregoing instrument was acknowledged before me this 15th day of January, 2007, by Marshall Gray, as Division President of KB Home Tampa LLC, a Delaware limited liability company, on behalf of such entity, as Declarant hereunder. He ☐ is personally known to me or ☐ has produced _____ as identification.

My Commission Expires: May 26, 2007

(AFFIX NOTARY SEAL)



[Signature]
(Signature)
Name: Lynn M Henault
(Legibly Printed)
Notary Public, State of Florida
DD215617
(Commission Number, if any)

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**EXHIBIT "A" TO DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR PALMETTO COVE**

Legal Description of the Property

PALMETTO COVE TOWNHOMES, according to map or plat thereof recorded in Plat Book 111, Page 7,
public records of Hillsborough County, Florida.