

Declaration of Covenants and Restrictions
of
Dillman Farms




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- Exhibit 1.(b) - Articles of Incorporation of the Association
- Exhibit 1.(f) - Bylaws of the Association
- Exhibit 1.(t) - Legal Description of the Subject Property

DECLARATION OF COVENANTS AND RESTRICTIONS
OF
DILLMAN FARMS

THIS DECLARATION OF COVENANTS AND RESTRICTIONS OF DILLMAN FARMS (the "Declaration") is made this 31 day of March, 1999, by DILLMAN FARMS ASSOCIATES, a Florida partnership (the "Declarant").

Declarant owns the Subject Property (as defined hereinafter) and intends to develop the Subject Property as a residential community. The purpose of this Declaration is to provide various use and maintenance requirements and restrictions upon the Subject Property in order to protect and preserve the value of the Subject Property. This Declaration will also establish an Association (as defined hereinafter) that will own, operate and/or maintain the Common Areas (as defined hereinafter), may operate and/or maintain certain Common Use Areas (as defined hereinafter), will have the right to enforce the provisions of this Declaration, and will be given various other rights and responsibilities. The expenses of the Association will be shared by the Owners (as defined hereinafter), and each Owner (including, initially, the Declarant) will be a member of the Association.

NOW, THEREFORE, Declarant hereby declares that the Subject Property (as defined hereinafter) shall be held, sold, conveyed, leased, mortgaged and otherwise dealt with subject to the easements, covenants, conditions, restrictions, reservations, liens and charges set forth in this Declaration, all of which are created in the best interest of the Owners (as defined hereinafter) of the Subject Property, and which shall run with the Subject Property and shall be binding upon all persons having and/or acquiring any right, title or interest in and to the Subject Property or any portion thereof, and shall inure to the benefit of each and every person, from time to time, owning or holding an interest in the Subject Property or any portion thereof.

1. Definitions. The terms used in this Declaration, and in the Articles and the Bylaws, shall have the following meanings, unless the context otherwise requires:

(a) "Approving Party" means the Declarant for so long as Declarant owns any Lot or until Declarant assigns its right as the Approving Party to the Association; and thereafter, Approving Party means the Association. Notwithstanding the foregoing, Declarant reserves the right to assign its right as the Approving Party to the Association, in whole or in part, at any time as Declarant may determine in the exercise of the sole and exclusive discretion of Declarant.

(b) "Articles" means the Articles of Incorporation of the Association, as same may be amended from time to time, a copy of such Articles existing as of the date hereof is attached hereto and made a part hereof as Exhibit 1.(b).

(c) "Assessment" means the amount of money that may be assessed against an Owner for the payment of an Owner's share of Common Expenses, and/or any other funds that an Owner may be required to pay to the Association as provided by this Declaration, the Articles or the Bylaws.

(d) "Association" means Dillman Farms Community Association, Inc., a Florida not for profit corporation, its successors or assigns. The Association has been established pursuant to the Articles.

(e) "Board" means the Board of Directors of the Association.

(f) "Bylaws" means the Bylaws of the Association, as same may be amended from time to time, a copy of such Bylaws existing as of the date hereof which is attached hereto and made a part hereof as Exhibit 1.(f).

(g) "Common Areas" means any property, including but not limited to roads, entranceways, open areas and other property, whether improved or unimproved, or any easement or interest therein, now or hereafter owned by the Association, or that is dedicated to the Association on any recorded plat or on any other recorded document, or that is declared to be a Common Area by this Declaration, or that is intended by Declarant to be a Common Area.

(h) "Common Expenses" means all expenses of any kind or nature whatsoever incurred by the Association, including, but not limited to, the following:

(1) Expenses incurred in connection with the ownership, maintenance, repair, improvement or operation of the Common Areas, the Common Use Areas, in the event the Association elects to maintain, repair, improve or operate all or any portion of any such Common Use Areas, or any other property to be maintained by the Association as provided in this Declaration, including, but not limited to, expenses associated with utilities, taxes, assessments, insurance, operation, maintenance, repairs, improvements, and alterations.

(2) Expenses of obtaining, repairing or replacing personal property used in connection with any Common Area or any Common Use Areas, in the event the Association elects to obtain, repair or replace all or any portion of any such personal property used in connection with any such Common Use Areas, or any expenses incurred in the performance of the Association's duties.

(3) Expenses incurred in connection with the administration and management of the Association.

(4) Any charges for water, sewer, trash removal, cable television services, security monitoring services and/or other common utility, governmental or similar services provided to the Lots, the Units, the Common Areas or the Common Use Areas that are not separately metered or charged individually to a Unit and the Owners thereof, or that the Association determines to pay as a Common Expense.

(5) Expenses declared to be Common Expenses pursuant to the provisions of this Declaration, by the Articles or by the Bylaws.

(6) Such amounts of reserves as may be deemed appropriate, if any, for the repair, replacement or addition to the Common Areas or the Common Use Areas, in the event the Association elects to repair, replace or add to all or any portion of any such Common Use Areas.

(i) "Common Surplus" means, at any point in time, the excess of the amount of receipts of the Association over the amount of the Common Expenses.

(j) "Common Use Areas" means those portions of a Lot (as hereinafter defined) where roads, entranceways, sidewalks, swales, open areas and other similar areas exist and are intended by Declarant for use in common by the Owners.

(k) "Declarant" means Dillman Farms Associates or any assignee of Dillman Farms Associates pursuant to a written assignment executed by Dillman Farms Associates or the then Declarant and recorded in the public records of the county in which the Subject Property is located. In addition, in the event any Party obtains title to all the Subject Property then owned by Declarant as a result of the foreclosure of any mortgage or by a deed in lieu of foreclosure thereof, such Party may elect to become the Declarant or to obtain certain rights of Declarant by a written election recorded in the public records of the county in which the Subject Property is located and, regardless of the exercise of such election, such Party may appoint as Declarant or assign any rights of Declarant to any third party who acquires title to all or any portion of the Subject Property by written appointment recorded in the public records of the county in which the Subject Property is located. In any event, any subsequent Declarant shall not be liable for any actions or defaults of or any obligations incurred by any prior Declarant, except as same may be expressly assumed by any such subsequent Declarant.

(l) "Declaration" means this Declaration of Covenants and Restrictions, as same may be amended from time to time.

(m) "Improvement" means all or any portion of any building, including but not limited to all or any portion of a Unit (as same is hereinafter defined), fence, wall, patio area, porch area, screen enclosure, driveway, walkway, landscaping, antenna, sign, mailbox, pool, spa, pool heater, air conditioning unit, water softening equipment, propane storage tank, tennis court or any other structure or item that is constructed, made, installed, placed or developed within or upon any portion of the Subject Property, including but not limited to any Lot contained therein. No removal, change, alteration or addition of any Improvement, other than normal maintenance and repair that does not materially alter or change the exterior appearance, condition and color of any Improvement, shall be authorized, except in conformity with the provisions of this Declaration.

(n) "Institutional Lender" means the holder of a mortgage encumbering a Lot, which holder in the ordinary course of business makes, purchases, guarantees or insures mortgage loans, provided such holder is not owned or controlled by the Owner of the Lot encumbered. An Institutional Lender may include, but is not limited to, a bank, savings and loan association, insurance company, real estate or mortgage investment trust, pension or profit sharing plan, mortgage company, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, an agency of the United States or any other governmental authority, or any other similar type of lender generally recognized as an institutional-type lender. For purposes of definition only, an Institutional Lender shall also mean the holder of any mortgage executed by or in favor of Declarant, or which encumbers any portion of the Subject Property that is owned by Declarant, whether or not such holder would otherwise be considered an Institutional Lender, and notwithstanding anything contained herein to the contrary, and the holder of any such mortgage shall be entitled to all rights and protections granted to first mortgagees hereunder, whether or not such mortgage is a first mortgage.

(o) "Lakes" shall mean those bodies of water designated as water management tracts or parcels on the Plat (as hereinafter defined).

(p) "Lot" means one of those separately designated parcels of land, intended by Declarant to be conveyed to an Owner and that contains or is intended to contain a Unit, located within the Subject Property and numbered as shown on the Plat.

(q) "Owner" means the record owner(s) of the fee simple title to a Lot.

(r) "Party" means an individual, corporation, partnership, trust or any other legal entity.

(s) "Plat" means any one or more plats of the Subject Property, as amended from time to time, and as approved by applicable governmental authorities and recorded in the applicable public records prior or subsequent to the recording of this Declaration.

(t) "Subject Property" means all of the property that may from time to time be subject to this Declaration and that is, as of the execution of this Declaration, described in Exhibit 1.(t) attached hereto. The Subject Property shall include any property that is hereafter encumbered by this Declaration but excludes any property that is hereafter withdrawn, by an amendment hereto, from the encumbrance of this Declaration.

(u) "Unit" means a residential dwelling constructed upon a Lot, and except as otherwise specifically provided for herein only one (1) Unit may be constructed upon any Lot. A Unit shall be deemed to exist at such time as a Certificate of Occupancy is issued for such Unit by the applicable governmental authorities.

2. Association. In order to provide for the administration of the Subject Property and this Declaration, the Association has been organized under the laws of the State of Florida.

(a) Articles. No amendment to the Articles shall be deemed an amendment to this Declaration, and this Declaration shall not prohibit or restrict amendments to the Articles, except as specifically provided herein.

(b) Bylaws. No amendment to the Bylaws shall be deemed an amendment to this Declaration, and this Declaration shall not prohibit or restrict amendments to the Bylaws, except as specifically provided herein.

(c) Powers of the Association. The Association shall have all of the powers provided for in this Declaration, along with any and all powers indicated in or incidental to those powers contained in the Articles and Bylaws. Accordingly, the Association shall be vested with the power to enforce this Declaration and by this Declaration, the Subject Property is hereby submitted to the jurisdiction of the Association.

(d) Approval or Disapproval of Matters. Whenever the approval, consent, or decision of the Owners is required for any matter pursuant to this Declaration, the Articles or the Bylaws such approval, consent, or decision shall, except for matters where a greater voting requirement is specified, be made by a majority of the votes of the Owners present in person or by proxy at a duly called meeting of the Association at which a quorum exists, in accordance with the Articles and the Bylaws.

(e) Acts of the Association. Unless the approval or action of the Owners and/or a certain specific percentage of the Board is specifically required by this Declaration, the Articles, the

Bylaws or by applicable law, all approvals or actions required or permitted to be given or taken by the Association shall be given or taken by the Board, without the consent of the Owners, and the Board may so approve and act through the duly elected officers of the Association without a specific resolution. When an approval or action of the Association is permitted to be given or taken, such action or approval may be conditioned in any manner the Board deems appropriate or the Board may refuse to take or give such action or approval without the necessity of establishing the reasonableness of such conditions or refusal, except as herein specifically provided to the contrary.

(f) Management and Service Contracts. The Association shall have the right to contract for professional management, cable television, security monitoring services and such other services on such terms and conditions as the Board deems desirable, in the exercise of the sole and absolute discretion of the Board; provided, however, that any such contract shall not exceed ten (10) years in duration and shall be fair and reasonable.

(g) Membership. All Owners shall be members of the Association. Membership as to each Lot shall be established and transferred as provided by the Articles and the Bylaws.

(h) Owners' Voting Rights. The votes of the Owners shall be established and exercised as provided in the Articles and Bylaws.

3. Common Areas and Common Use Areas; Duties and Obligations of the Association.

(a) Conveyance of Common Areas to Association.

(1) By Declarant. Declarant, without the necessity of joinder by any other party, shall have the right to convey title to any property or to any easement or to any interest therein owned by it to the Association as a Common Area, and the Association shall be required to accept such conveyance. Any such conveyance shall be effective upon recording the deed or instrument of conveyance in the public records of the county where the Subject Property is located.

(2) By Any Other Party. Any other Party may also convey title to any property, or to any easement or to any interest therein, owned by such Party to the Association as a Common Area, but the Association shall not be required to accept any such conveyance, and no such Conveyance shall be effective to impose any obligation for the maintenance, operation or improvement of any such property upon the Association, unless the Board expressly accepts the conveyance by executing the deed or other instrument of conveyance or by recording a written acceptance of such conveyance in the public records of the county in which the Subject Property is located.

(b) Use and Benefit; Common Areas. All Common Areas shall be held by the Association for the use and benefit of the Association, the Owners, the authorized residents of the Units and their respective guests and invitees, the holders of any mortgage encumbering any Lot from time to time, and any other persons authorized to use the Common Areas or any portion thereof by Declarant or the Association, for all proper and reasonable purposes and uses for which the Common Areas are reasonably intended but, subject at all times to the terms of this Declaration and to the terms of any easement, restriction, reservation or limitation of record that affects the Common Area or that is contained in the deed or instrument conveying any portion of the Common Area to the Association, and, further subject to any rules and regulations adopted by the Association. An easement and right of such use of

the Common Areas is hereby created by this Declaration in favor of all Owners, which easement is appurtenant to the title of any such Owner's Lot.

(c) Use and Benefit; Common Use Areas. All Common Use Areas shall held by the Owner thereof subject to the use and benefit in common by the Association, the Owners, the authorized residents of the Units and their respective guests and invitees and any other persons authorized to utilize the Common Use Areas or any portion thereof by the Owners, the Declarant or the Association, for all proper and reasonable purposes and uses for which the Common Use Areas are reasonably intended but, subject at all times to the terms of this Declaration and to the terms of any easement, restriction, reservation or limitation of record that affects any Common Use Area or that is contained in the deed or instrument conveying any portion of any Common Use Area to an Owner, and, further subject to any rules and regulations adopted by the Association. An easement and right of such use of the Common Use Areas is hereby created by this Declaration in favor of all Owners, which easement is appurtenant to the title of any such Owner's Lot.

(d) Grant and Modification of Easements. The Association shall have the right to grant, modify or terminate easements over, under, upon and/or across any Common Areas or Common Use Areas, and shall have the further right to modify, relocate or terminate existing easements in favor of the Association.

(e) Additions, Alterations or Improvements. The Association shall have the right to make additions, alterations or improvements to the Common Areas and the Common Use Areas, and to purchase such personal property as the Association deems necessary or desirable from time to time; provided, however that at any time after the Declarant is no longer able to control the Association the approval of the Owners shall be required in order to remove or to substantially and adversely affect any completed recreational facility existing on any Common Area or Common Use Area. The foregoing approval shall in no event be required with respect to expenses incurred in connection with the maintenance, repair or replacement of existing Common Areas, Common Use Areas or any existing Improvement or personal property associated therewith. The cost and expense of any such additions, alterations or improvements to the Common Areas or the Common Use Areas or the purchase of any personal property undertaken by the Association shall be a Common Expense. In addition, for so long as Declarant owns any portion of the Subject Property, Declarant shall have the absolute right to undertake additions, alterations, modifications or improvements to the Common Areas, the Common Use Areas or to otherwise affect the Common Areas and the Common Use Areas as the Declarant may desire in the exercise of the sole and absolute discretion of the Declarant and the cost thereof shall be a Common Expense.

(f) Utilities. The costs of all utility services for the Common Areas, and to the extent determined appropriate by the Association, for the Common Use Area or any other property maintained by the Association shall be a Common Expense and shall be paid for by the Association.

(g) Taxes. The costs of all real and personal property taxes and assessments, if any, assessed against the Common Areas or any other property owned by the Association shall be a Common Expense and shall be paid for by the Association.

(h) Association; Failure to Pay. Any Owner or Institutional Lender may, after ten (10) days prior notice to the Association, pay for any utilities, taxes or assessments, or insurance premiums that are required to be paid by the Association and that are not so paid by the Association when due, or may secure substantially similar substitute insurance upon the lapse of an insurance policy held by the

Association, and any Party undertaking any of the foregoing shall be owed immediate reimbursement therefor from the Association, plus interest and any costs of collection, including attorneys fees.

(i) Damage or Destruction. In the event all or any portion of the Common Area, including any Improvements thereon (other than landscaping), is damaged or destroyed due to fire, flood, wind or other casualty or reason the Association shall restore, repair, replace or rebuild (hereinafter collectively referred to as a "Repair") the damaged portion of the Common Area to the condition existing immediately prior to such damage or destruction, unless otherwise determined by the vote of two-thirds (2/3) of the Owners. If any landscaping within any Common Area or any other property maintained by the Association is damaged or destroyed, the Association shall only be obligated to make such replacement or repair to such landscaping as may be determined by the Board in the exercise of its sole and absolute discretion. Any excess cost to the Association for the replacement or repair of all or any portion of the Common Area, including any landscaping included therein, over the insurance proceeds received by the Association on account of any such damage or destruction shall be a Common Expense, and the Association shall have the right to make a special Assessment upon the Owners for any such excess cost.

(j) Maintenance of Common Areas, Common Use Areas and Other Property. The Association shall maintain all Common Areas and other property owned by the Association and all Improvements thereon in good condition at all times. If pursuant to any easement the Association is required to maintain any portion of the Subject Property or any Improvement contained thereon, then the Association shall maintain such Improvement in good condition at all times. In addition, the Association may elect to maintain all or any portion of the Common Use Areas as the Association may determine in the exercise of the sole and absolute discretion of the Association, and the Association shall have the right to assume the obligation to operate and/or maintain any other property that is not owned by the Association if the Board, in the exercise of the sole and absolute discretion of the Board, determines that the operation and/or maintenance of such property by the Association would be in the best interests of the Owners of the Subject Property. In such event, the Association shall so notify any Owner otherwise responsible for such operation and/or maintenance of such Common Use Areas or such other property, and, thereafter, such Common Use Areas or such other property shall be operated and/or maintained by the Association and not by the Owner until such time as the Board determines in the sole and absolute discretion of the Board that the Association will no longer to assume the obligation to operate and/or maintain such Common Use Areas or such other property and so notifies the appropriate Owner in writing. To the extent the Association assumes the obligation to operate and/or maintain any Common Use Areas or other property that is not owned by the Association, the Association shall have an easement and right to enter upon such Common Use Areas or other property in connection with the operation or maintenance of same, and no such entry shall be deemed a trespass. Such assumption by the Association of the obligation to operate and/or maintain any Common Use Area or other property that is not owned by the Association may be evidenced by a supplement to this Declaration, or by a written document recorded in the public records of the county in which the Subject Property is located, and may be made in connection with an agreement with any Owner, the Declarant, or any governmental authority otherwise responsible for such operation and/or maintenance, and pursuant to any such document the operation and/or maintenance of any Common Use Area or other property may be made a permanent obligation of the Association. The Association may also enter into agreements with any other Party or with any governmental authority to share in the maintenance responsibility of any Common Use Area or other property if the Board, in the exercise of the sole and absolute discretion of the Board, determines same would be in the best interest of the Association. If any Owner or any resident of any Unit or their guests or invitees damages any Common Area or any Common Use Area or any Improvement thereon or any other portion of the Subject Property or other property maintained by the Association, the Owner shall

be liable to the Association for the cost of repair or restoration of same, unless such liability is otherwise limited under the laws of the State of Florida.

(k) Mortgage and Sale of Common Areas. The Association shall not encumber, sell or transfer any Common Area owned by the Association without the approval of 2/3 of the votes of all of the Owners; provided, however, that the Association may dedicate any Common Area to any governmental authority without the approval of the Owners. Notwithstanding the foregoing, if Declarant changes the location of any unconveyed Lots such that a portion of the Common Area would be within a relocated Lot, then the Association shall have the right, without the approval of the Owners, to convey such portion of the Common Areas to Declarant, and in connection therewith, Declarant shall convey to the Association any property that will be a Common Area due to the relocation of any of the Lots.

(l) Maintenance of Certain Other Property. Pursuant to paragraph 3.(j) above, the Association hereby agrees to undertake the irrevocable obligation to maintain the landscaping contained within the roadway median located on Jog Road abutting the Subject Property pursuant to the requirements set forth as a part of Petition 95-45, as approved by Resolution 95-1472, Conditions E-3(a), E-3(b) and E-3(c).

4. Easements. In addition to those easements heretofore created and encumbering the Subject Property, each of the following easements are hereby created, all of which shall run with the land and, notwithstanding any of the other provisions of this Declaration, may not be substantially amended or revoked in such a way so as to unreasonably interfere with the proper and intended uses and purposes thereof, and each of which shall survive the termination of this Declaration.

(a) Easements for Pedestrian and Vehicular Traffic. Easements for pedestrian traffic over, through, across and upon such roads, sidewalks, paths, lanes and walks, as the same may from time to time exist upon the Subject Property and be intended for such purpose; and easements for pedestrian and vehicular traffic and parking over, through, across and upon roads and such other portions of the Subject Property as may from time to time be paved and intended for such purposes, such easements being for the use and benefit of the Owners, the authorized residents of the Units and the guests and invitees of the Owners and such authorized residents of the Units and Institutional Lenders.

(b) Easements in Common Areas and Common Use Areas. The Common Areas and the Common Use Areas shall be, and the same are hereby declared to be, subject to perpetual nonexclusive appurtenant easements in favor of all Owners and authorized residents of the Units from time to time, and their guests and invitees, for all proper and normal purposes, for all purposes for which same are reasonably intended and for the furnishing of services and facilities.

(c) Service and Utility Easements. Easements in favor of the Approving Party, governmental and quasi-governmental authorities, utility companies, cable television companies, ambulance or emergency vehicle companies, mail carrier companies, and all other Parties providing services to or for the benefit of the Subject Property (collectively, the "Service Providers") over and across all roads and easements existing from time to time within the Subject Property and such portions of the Subject Property as may from time to time be paved and intended for such purposes, and over, under, upon and across the Subject Property, as may be reasonably required to permit the Service Providers, and their respective agents and employees, to provide the respective authorized services to and for the Subject Property, and as may be required for the installation, maintenance, repair and providing of utility services, equipment and fixtures in order to adequately serve the Subject Property, including, but not limited to, electricity, telephones, sewer, water, lighting, irrigation, drainage, television antennae and cable television

facilities and electronic security. No Owner shall permit anything to occur on any such Owner's Lot that interferes with or impairs in any way the ability of the Service Providers to use the foregoing easements. The Board or its designee shall have a right of access to each Lot each Unit and any Improvement constructed upon any Lot to inspect, maintain, repair or replace any utility service facilities contained in upon or under any Lot and in order to remove any Improvements on such Lot that interfere with or impair any utility services required for all or any portion of the Subject Property or interfere with or impair any easement herein reserved; provided, however, such right of access shall not unreasonably interfere with an Owner's permitted use of the Lot, except that same shall not be applicable in the event of an emergency in which event such right of access shall be permitted at any time.

(d) Encroachment Easements. If any portion of the Common Area encroaches upon any Lot, if any Improvement constructed, made, installed, placed or developed by the Association upon any Common Use Area encroaches upon any Lot, upon any portion of the Common Area or if any encroachment shall hereafter occur as a result of:

- (1) construction or reconstruction of any Improvement upon the Common Area or any Common Use Area;
- (2) settling or shifting of any Improvement existing upon the Common Area or any Common Use Area;
- (3) any addition, alteration or repair to the Common Area or to any addition, alteration or repair to any Improvement upon any Common Use Area made by or with the consent of the Association;
- (4) any non-purposeful act or non-negligent act of an Owner;
- (5) any act authorized by the Board

then, in any such event, a valid easement shall exist for such encroachment and for the maintenance thereof so long same shall continue to exist.

(e) Additional Easements. Declarant (so long as it owns any Lot) and the Association, on their own behalf and on behalf of all Owners, shall each have the right to:

- (1) grant and declare additional easements over, upon, under and/or across the Common Area and the Common Use Area in favor of Declarant or any person, entity, public or quasi-public authority or utility company, or
- (2) modify, relocate, abandon or terminate existing easements benefitting or affecting all or any portion of the Subject Property.

(f) Sale and Development Easement. Declarant reserves and shall have a perpetual easement over, upon, across and under the Subject Property as may be reasonably required by Declarant in connection with the development, construction, promotion, sale or leasing of any Lot or any Unit within the Subject Property or in connection with the development, construction, promotion, sale or leasing of any other property or owned by Declarant whether a part of the Subject Property or otherwise.

(g) Features Easement. Declarant reserves the right to construct berms or architectural features (collectively, the "Features") along or within certain portions of the Subject Property, and upon commencement of construction of such Features an access easement over, under upon and through other portions of the Subject Property and an easement for the construction, repair and maintenance of such Features shall be created in favor of Declarant and such easement shall inure to the benefit of the Association.

(h) Surface Water Management System; Easements. It is acknowledged that the surface water management and drainage system (the "Water Management System") for the Subject Property is one integrated system, and accordingly shall be deemed a Common Area. The Water Management System may include but may not be limited to the Lakes, canals, swale areas, retention areas, culverts, pipes, pumps, catch basins and related appurtenances and any littoral zones in any Lakes or other waterway, regardless of whether or not same are natural, man made within the Subject Property or are owned by Association. To the extent that all or any portion of the Water Management System is owned or otherwise controlled by the South Florida Water Management District, the Lake Worth Drainage District or any other governmental agency or authority (collectively, the "Authority"), and it is hereby acknowledged that the Lakes and other portions of the Water Management System may be owned or maintained by the Authority, all rights of the Association and the Owners in connection with the Water Management System will subject to the requirements of the Authority. Further, due to ground water elevations within the immediate area wherein the Subject Property lies, the Lakes may be extremely shallow from time to time depending upon rainfall, the level of water in the ground, the level of drainage canals, and the demand for potable irrigation water. Owners and others claiming by or through Owners acknowledge and agree that Declarant has no control over such water elevations, and therefore Owners and others claiming by or through Owners agree that Declarant is released and relieved from any liability associated with ground water elevations and further agree to indemnify and hold harmless Declarant and the Authority, from and against any and all losses, claims, demands, damages, costs and expenses of whatever nature or kind, including reasonable attorneys' fees and costs and appellate fees and costs related to or arising out of any claim made by Owners and others claiming by or through Owners against Declarant or the Authority, as a result of the ground water elevations. An easement is hereby created over the entire Subject Property for surface water drainage and for the installation and maintenance of the Water Management System, provided that such easement shall be limited to the extent necessary to permit Units or other Improvements to be constructed within the Subject Property as may be permitted by controlling governmental authorities from time to time. The Water Management System shall be developed, operated and maintained in conformance with the requirements of, and any approvals issued by the Authority.

(i) Conservation Areas; Easements. In the event that conservation areas ("Conservation Areas") are created pursuant to the requirements of the Authority then such Conservation Areas shall be dedicated to the Association, shall be deemed as a Common Area and shall be the perpetual maintenance responsibility of the Association, and the Association shall maintain such Conservation Areas in accordance with the requirements and restrictions of the Authority, existing from time to time, including but not limited to any requirements as set forth in any applicable monitoring plan included as a part of any applicable permit (the "Monitoring Plan"). Notwithstanding the foregoing, the Declarant shall be responsible for the Monitoring Plan until such time as Declarant's turnover of control of the Association to Owners other than Declarant. After such turnover the Association shall have the sole responsibility for the Monitoring Plan. It is specifically understood that Conservation Areas may not be altered from their natural state as prescribed by the Authority and that activities prohibited within the Conservation Areas include, but may not be limited to, constructing or placing of buildings on or above the ground; dumping or placing soil or other substances, including trash or other debris; removal or destruction of trees, shrubs

or other vegetation, with the exception of exotic or nuisance vegetation, which, subject to the requirements of the Authority may be removed; and any other activities detrimental to drainage, flood control, water conservation erosion control and/or wildlife, habitat conservation or preservation, all as prescribed by the Authority, from time to time.

(j) Qualifications.

(1) In connection with the grant, modification, relocation, abandonment or termination of any easement, Declarant reserves the right to relocate roads, parking areas, utility lines, and other Improvements upon or serving the Subject Property. So long as the foregoing will not unreasonably and adversely interfere with the use of Lots for dwelling purposes, no consent of any Owner or any Institutional Lender shall be required or, if the foregoing will unreasonably and adversely interfere with the use of any Lot for dwelling purposes, only the consent of the Owners of the Lots so affected shall be required. To the extent required to accomplish the foregoing, each and every Owner hereby irrevocably appoints Declarant and/or the Association as the attorney-in-fact for such Owner.

(2) If ingress or egress to any Lot is through any Common Area any conveyance or encumbrance of such Common Area shall be subject to an appurtenant easement for ingress and egress in favor of the Owner of such Lot, unless alternative ingress and egress is provided to such Owner.

(3) Unless otherwise specifically set forth herein, no grant or creation of an easement shall or shall be deemed to constitute a gift or dedication of any property or right to the general public or be for the benefit of the general public. It is the intention of the Declarant that any grant of easement shall be limited to the purposes stated for such easement.

5. Maintenance of the Subject Property.

(a) By the Association. The Association shall operate, maintain, repair and replace the following portions of the Subject Property:

(1) Common Areas. The Association shall maintain all Common Areas and the Improvements contained thereon from time to time, and all other areas for which the duty to maintain has been delegated to and accepted by the Association.

(2) Common Use Areas. The Association may elect to maintain all or any portion of the Common Use Areas and the Improvements contained thereon from time to time, as the Association may determine from time to time in the exercise of the sole and absolute discretion of the Association.

(3) Landscaping. The Association shall be responsible for the maintenance and care of all landscaping contained within the Common Areas, and the Association may, in the exercise of the sole and absolute discretion of the Association, maintain landscaping within or along any access easement or right-of-way within or contiguous to the boundary of the Subject Property or within any Common Use Area. The responsibility of the Association shall include, but may not be limited to mowing, trimming, pruning, edging, fertilizing, weed control, and landscape related insect and disease control. As to any area so maintained by the Association, the Association may plant, remove and/or replace sod, plants, flowers, shrubbery, trees or other

landscaping when, in the sole and absolute discretion of the Association, same is appropriate and in the best interest of the Subject Property, and with such type, quantity and quality of landscaping as determined by the Association in the exercise of the sole and absolute discretion of the Association, provided that within the Common Area the Association shall replace such damaged or destroyed landscaping with landscaping that is at least of the type and character as that which was originally installed by the Declarant. In the event of damage to or destruction of landscaping within any Common Use Area maintained by the Association or any other area maintained by the Association, the Association shall only repair or replace such landscaping that is damaged or destroyed as a direct result of any failure of the Association to fulfill its maintenance obligation undertaken pursuant hereto. The Association shall have no liability whatsoever to replace any landscaping installed by any Owner on any Lot or otherwise.

(4) Utility Lines and Facilities. The Association shall maintain all utility lines and facilities located within the Subject Property not owned by a governmental authority or utility company, except for any utility lines and facilities located within any Lot that serve only such Lot and/or the Unit existing thereon.

(5) Wells and Water Sprinkler System. In the event Declarant installs any wells, pipes or water sprinkler system (collectively the "Irrigation System") within any Common Area in order to irrigate any such Common Area, the Association shall maintain such Irrigation System. The Association shall have no liability whatsoever to provide, maintain, repair or replace any irrigation system for the purpose of irrigating any Lot.

(6) Roadways, Sidewalks and Street Lighting. The Association shall maintain any and all common private roads, drives and parking areas within the Subject Property provided that the each Owner shall have the obligation to repairs, replace and maintain any driveway or parking areas serving such Owner's Lot. Notwithstanding the foregoing, the Association may, but shall have no obligation to, repair, replace and maintain any common sidewalks, swales or walkways within the Subject Property. The Association shall also repair, replace and maintain any common street lighting and the utility services used in connection therewith within the Subject Property, other than any street lighting or utility services used in connection therewith that exclusively serves one Lot or any such street lighting and the utility services used in connection therewith that is maintained by a utility company or other governmental agency. The Association shall obtain and pay for, as a Common Expense, any utility charges incurred in connection with such common street lighting located within the Subject Property.

(7) Controlled Entry: Gates and Guardhouses; Manned or Electronic. The Association shall have the right, but not the obligation, as determined in the exercise of the sole and absolute discretion of the Association, to construct, install, operate and maintain entry gates and guardhouses, to hire entry control personnel and to obtain other traffic control devices for the benefit of the Subject Property and the Owners, subject to the requirements of applicable governmental authorities or agencies, the cost of which shall be a Common Expense.

(8) Water Management System. The Association shall have the obligation to maintain the Water Management System, except for those portions of the Water Management System which are in fact maintained by the Authority. Such maintenance shall be performed in accordance with the requirements of the Authority, and an easement for such maintenance is hereby created. The Association shall have right, but not the obligation, as determined in the exercise of the sole and absolute discretion of the Association, to maintain any portion of the

Water Management System which is owned and/or maintained by the Authority or which exists outside the Subject Property. The Subject Property shall be required to accept surface water drainage from any other property pursuant to the requirements of the Authority, and in connection therewith the Association will have the right, but not the obligation, as determined in the exercise of the sole and absolute discretion of the Association, to maintain such portion of the surface water management system for such other property as may be reasonably required in connection with the maintenance or operation of the Water Management System.

(9) Other Property. The Association shall have the right, as determined in the exercise of the sole and absolute discretion of the Association, to maintain such other areas within or contiguous to the Subject Property as the Association may, in the exercise of the sole and absolute discretion of the Association, determine from time to time is in the best interest of the Owners, and the cost of any such maintenance shall be a Common Expense. The Association may also enter into agreements with any other Party to share in the maintenance responsibility of any property if the Association, in the exercise of the sole and absolute discretion of the Association, determines same would be in the best interest of the Subject Property.

(10) Owners' Lot, Units and Improvements. The Association shall have the right, but not the obligation, to contract, pursuant to such terms and conditions are acceptable to the Association, in the exercise of the sole and absolute discretion of the Association, with any Owner to undertake on behalf of such Owner any maintenance obligation imposed upon Owners pursuant to this Declaration.

(11) Easement. The Association and any duly authorized representative thereof shall have an easement over the Lots and the irrevocable right of access to the Lots from time to time during reasonable hours as may be necessary in connection with operation, maintenance repair and replacement obligations upon the Association provided for hereby.

(12) Costs. Any and all of the costs incurred by the Association in connection with the operation, maintenance, repair, replacement or other obligations upon the Association as provided for hereby shall be borne by the Owners and shall be a Common Expense. The Association shall have the right, in the exercise of the sole and absolute discretion of the Association, but always in accordance with the requirements, if any, of applicable Florida law, to establish reserves in connection with the foregoing obligations of the Association.

(b) By the Owners.

(1) Generally. Each Owner shall have the affirmative obligation to maintain and repair such Owner's Lot, Unit, all other Improvements contained therein and thereon, any common sidewalks or walkways within such Owner's Lot and, in the event such Owner's Lot abuts any Lake (a "Lake Lot"), all lake slopes abutting such Owner's Lot, in first class condition.

(2) Casualty. In order to further protect and preserve the value of the Subject Property and to maintain the plan of development of the Subject Property, in the event of the occurrence of a casualty that affects an Owner's Lot, Unit and the Improvements contained therein and thereon, any common sidewalks or walkways within such Owner's Lot and in the event such Owner's Lot is a Lake Lot, any lake slopes abutting such Owner's Lot, each Owner so affected shall have the affirmative obligation to repair, replace and reconstruct such Owner's Unit and the Improvements contained therein and thereon, any common sidewalks or walkways within such

Owner's Lot and, in the event such Owner's Lot is a Lake, any lake slopes abutting such Owner's Lot in a fashion so that at all times each Owner's Lot, Unit and the Improvements contained therein and thereon, any common sidewalks or walkways within such Owner's Lot and, in the event such Owner's Lot is a Lake Lot, any lake slopes abutting such Owner's Lot shall be in conformity with the overall scheme of development and quality of the community which comprises the Subject Property. In the event any Owner fails to undertake the obligations required by this provision, then the Association may, but shall have no obligation to, as determined by the Association in the exercise of the sole and absolute discretion of the Association, undertake any of the foregoing obligations upon any Owner and, to the extent that the Association incurs any expense therefor, the Owner failing to so undertake the obligations of this provision shall be liable to the Association for all such expenses, including interest, and the Association shall have the right to assess such Owner for same.

(3) Sidewalks and Swales. Each Owner shall have the obligation to repair, replace and maintain the swale area and sidewalk contained within the boundary of such Owner's Lot, unless such obligation upon all such Owners is assumed by the Association pursuant hereto.

6. Architectural Control.

(a) Purpose. The Approving Party shall have the right to exercise architectural control over any Improvement existing or to exist upon the Subject Property in order to assure that the Subject Property will be a community of high standards and aesthetic beauty. Such architectural control shall include but shall not be limited to the right to approve all architectural and other aspects of any Improvement including, but not limited to, size, height, site planning, set-back requirements, exterior design, materials, colors, open space criteria, landscaping, waterscaping and aesthetic criteria.

(b) Owner to Obtain Approval. No Owner shall make any Improvement, and no Owner shall apply for any governmental approval or building or other permit for any Improvement, unless such Owner shall first have obtained the written approval of the Improvement from the Approving Party.

(c) Request for Approval. Any request for approval of any Improvement by an Owner from the Approving Party shall be in writing and shall be accompanied by the plans and specifications or other details as the Approving Party may deem reasonably necessary in connection with making the determination as to whether or not to approve same. The plans and specifications submitted for approval shall show the nature, kind, shape, height, materials, color, and location of all proposed Improvements and may be required to include, without limitation, floor plans, site plans, drainage plans, elevation drawings and descriptions or samples of exterior materials and colors. If the Approving Party deems the plans and specifications deficient, the Approving Party may require such further detail to be incorporated into the plans and specifications as the Approving Party deems necessary in order to make a determination regarding approval of any Improvement. Until receipt of such materials as may be deemed appropriate by the Approving Party, the Approving Party may postpone review of any Improvement submitted for approval. The Approving Party shall have the right to charge a reasonable fee to any Party requesting approval, including where applicable, the fee of any architect or engineer hired by the Approving Party to review any materials submitted by an Owner, and the Approving Party shall not be obligated to review any materials submitted by an Owner until such fee, if required, is paid. The Approving Party shall not, however, be required to utilize the services of an architect or engineer in connection with the exercise of the approval provided for hereby. Approval of any request of an Owner shall not be withheld in a discriminatory manner or in a manner that unreasonably prohibits the reasonable improvement of an Owners Lot, however disapproval based upon aesthetic considerations shall not under

any circumstance be deemed discriminatory or be deemed to unreasonably prohibit improvement of an Owner's Lot.

(d) Approval. The Approving Party shall notify the Owner of its approval, disapproval, or that the Approving Party requires additions to the plans and specifications or other materials by written notice within thirty (30) days after request for such approval is made in writing and received by the Approving Party. In the event additions to the plans and specifications or other materials are required by the Approving Party in connection with such approval then Approving Party shall have no obligation to approve or disapprove any request until thirty (30) days after receipt by Approving Party of all such additions to the plans and specifications or other materials. In the event the Approving Party fails to disapprove any request within such thirty (30) day period (or as such period may be extended pursuant to the foregoing) the request shall be deemed approved by the Approving Party, and upon request of the Owner, the Approving Party shall provide written notice of such approval. Any such approval may be conditioned upon the payment by Owner of such fees or other costs charged by Approving Party in connection with the approval. In addition, any such approval may be conditioned upon a requirement that the Owner incorporate changes into any such proposed Improvement, and any such conditional approval shall be deemed a disapproval unless and until the Owner satisfies each and every condition of such approval. If the Approving Party approves, or is deemed to have approved, any Improvement, the Owner requesting approval may proceed to undertake the Improvement in strict conformity with the plans and specifications and other materials approved or deemed to have been approved, again, subject in all cases to any conditions contained in the approval. Further, an Owner shall not make any material changes to the proposed Improvement without the further approval of the Approving Party. If an approval is granted or deemed to have been granted, the Owner shall commence the Improvement within sixty (60) days after receipt of such approval, and the failure by an Owner to timely commence such Improvement shall terminate the approval. An approval by the Approving Party of any Improvement shall not obligate or otherwise require the Approving Party, or any subsequent Approving Party to approve any similar Improvement in the future, and the Approving Party shall have the right in the future to withhold approval of similar Improvements requested by any other Owner.

(e) Architectural Guidelines and Criteria. The Approving Party may adopt and modify from time to time, in its sole and absolute discretion, minimum guidelines, criteria and/or standards, which may include but shall not be limited to requirements relating to minimum square footage, maximum height, minimum set-back, and minimum landscaping, that will be used by the Approving Party in connection with the exercise of architectural control. Any changes in any such guidelines, criteria and/or standards shall not be applicable to any existing Improvement or any Improvement approved prior to the date of any such change.

(f) Inspections. Upon the completion of any Improvement, the applicable Owner shall give written notice (the "Inspection Notice") of the completion to the Approving Party. Within ninety (90) days after receipt of the Inspection Notice, the Approving Party shall have the right to inspect the Improvement and, thereafter notify the Owner in writing (the "Approving Party Notice") of whether the Improvement is accepted, or whether the Improvement is deficient due to a failure of the Owner to complete the Improvement in conformity with the approval or otherwise. In the event the Improvement is deemed deficient the Approving Party Notice shall specify the particulars of any such deficiencies. The Owner shall correct the deficiencies set forth in the Approving Party Notice within thirty (30) days after receipt thereof, and upon completion of such corrections the Owner shall provide the Approving Party with a notice (the "Correction Notice") of the completion of the corrections, whereupon the right of the Approving Party to inspect and the procedure associated therewith as set forth in this paragraph shall again become operative. If the Approving Party fails to provide the Owner with the Approving Party Notice

within ninety (90) days after receipt of Inspection Notice or the Correction Notice, as the case may be, the Improvement shall be deemed to have been accepted by the Approving Party.

(g) Remedy for Violations. In the event the provisions of this Declaration regarding architectural control are violated by an Owner in any manner, the Approving Party shall, in addition to all other remedies available to it, have the right to seek injunctive relief, without the necessity of posting a bond therefore, to require the applicable Owner to stop construction of, remove and/or alter any Improvement that has been commenced or completed without an approval or that has been commenced or completed without conforming to an approval. If Declarant is the Approving Party, then in connection with the enforcement of the architectural control provisions of this Declaration, Declarant shall have all of the rights of enforcement granted to the Association pursuant to this Declaration, including but not limited to the right to impose fines, to assess and to lien for costs and expenses incurred in enforcing these architectural control provisions, provided that any such fines or other assessments shall be paid to the Association. In connection with the enforcement of the architectural control provisions of this Declaration, the Approving Party shall have the right to enter onto any Lot and make any inspection necessary to determine that the architectural control provisions of this Declaration have been complied with. Except as specifically provided for hereinabove, the failure of the Approving Party to object to any Improvement prior to the completion of the Improvement shall not constitute a waiver of the Approving Party's right to enforce the architectural control provisions of this Declaration. Any action to enforce the architectural control provisions of this Declaration must be commenced within 1 year after notice by the Approving Party of the existence of any violation, or within 3 years after the date of the violation, whichever occurs first. The foregoing remedies shall be in addition to and not as a limitation of any other right or remedy set forth in this Declaration for any violations of this Declaration. The Approving Party shall have the sole and exclusive authority to enforce the architectural control provisions of this Declaration.

(h) No Liability. The Approving Party has by the architectural control provisions been granted the right to exercise architectural control or to otherwise enforce the architectural control provisions of this Declaration. Accordingly, the Approving Party shall have no duty or obligation to exercise architectural control or to otherwise enforce the architectural control provisions of this Declaration, and Approving Party shall not be liable to any Owner or to any other Party whatsoever as a result of the exercise of or failure to exercise architectural control or to otherwise enforce the architectural control provisions of this Declaration. Furthermore, the approval of any plan, specification or Improvement by the Approving Party shall not be deemed to be a determination by the Approving Party or a warranty of the Approving Party that any such plan, specification or Improvement is complete, is without defect, meets any standard, guideline and/or criterion of the Approving Party, is architecturally or aesthetically appropriate or complies with any applicable safety standard or governmental requirement, and the Approving Party shall have no liability whatsoever for any defect or deficiency in any such plan, specification or Improvement, or for any damage or injury to any person, property or otherwise associated with any such plan, specification or Improvement.

(i) Compliance with Governmental Requirements. In addition to the foregoing requirements, every Improvement must be in compliance with the requirements of any and all applicable governmental authorities, and an Owner shall be required to obtain appropriate permits from such applicable governmental authorities. Any approval by the Approving Party of any Improvement may be conditioned upon a requirement that the Owner obtain all governmental permits required for same, or upon a requirement that the Owner provide the Approving Party with written evidence from the applicable governmental authorities that such governmental permits will not be required, and in the event such approval is so conditioned the Owner shall not proceed with any Improvement until such governmental

permits, or evidence that such governmental permits are not required, is obtained and submitted to the Approving Party.

(j) Construction by Licensed Contractor. If applicable governmental permits are required in order for an Owner to undertake any Improvement, then the Improvement must be installed or constructed by a party properly licensed and authorized to undertake work pursuant to such applicable governmental permits. In all cases all Improvements must be constructed and completed in a good and workmanlike manner.

(k) Certificate. Within ten (10) days after the request of any Owner, the Approving Party shall issue, without charge, a written certification in recordable form acknowledging, to the best knowledge of the Approving Party, whether or not the Improvements located upon the Owner's Lot comply with the provisions of this Declaration.

(l) Declarant. It is specifically recognized that so long as Declarant is the Approving Party, the provisions of this paragraph 6 shall not apply to any Lot or Unit, the title to which is vested in the Declarant.

7. Use Restrictions.

(a) Air Conditioning Units. Only central air conditioning units are permitted within the Subject Property, and accordingly no window, wall, or portable air conditioning units are permitted within the Subject Property.

(b) Automobiles, Boats, Aircraft and other Vehicles.

(1) Except as otherwise set forth herein, without the prior written consent of the Approving Party which consent may be provided or denied in the sole and absolute discretion of the Approving Party, or unless parked within an enclosed garage, only automobiles, vans of a type customarily used as private passenger vehicles, pick-up trucks of a type customarily used as private passenger vehicles with a carrying capacity of three quarters of a ton or less and other vehicles manufactured for use as private passenger vehicles (collectively, the "Permitted Vehicles") may be parked Overnight (as such term is hereinafter defined) on any driveway, lawn or landscape area or any other areas within any Lot. Furthermore, no vehicle containing commercial lettering, signs or equipment, no truck, recreational vehicle, camper, trailer, or vehicle other than the Permitted Vehicles may be parked or stored outside of a Unit, on a Lot or otherwise within the Subject Property. It is the specific intention hereof to limit all parking and storage of automobiles, trucks and the like to Permitted Vehicles only and only in driveways or garages within the Lots. In addition, unless parked within an enclosed garage, any Permitted Vehicle parked within the Subject Property must be in operating condition and repair, may not possess flat tires, and unless parked within an enclosed garage, no Permitted Vehicle without a current license plate or that cannot operate under its own power, including but not limited to as a result of flat tires, may be parked anywhere within the Subject Property for more than 24 hours.

(2) Except as otherwise set forth herein, without the prior written consent of the Approving Party which consent may be provided or denied in the sole and absolute discretion of the Approving Party, or unless parked within an enclosed garage, only electric powered aquatic passenger vehicles or aquatic passenger vehicles intended to operate without mechanical assistance, for example, sailboats, rowboats and canoes (the "Permitted Boats") may be stored Overnight (as

such term is hereinafter defined) outside of a Unit, on a Lot or otherwise within the Subject Property, and such Permitted Boats may only be stored in such locations and maintained and used pursuant to such conditions as may be established from time to time by the Approving Party in the sole and exclusive discretion of the Approving Party. It is the specific intention hereof to limit the storage of boats to Permitted Boats only, and as such locations where the visibility of such Permitted Boats is the most inconspicuous, and to limit the use and maintenance of such Permitted Boats to the areas and subject to the conditions as set may be determined from time to time by the Approving Party. Any Permitted Boat stored within the Subject Property must be in good condition and repair.

(3) Unless stored within an enclosed garage, no aircraft of any type may be parked or stored outside of a Unit, on a Lot or otherwise within the Subject Property.

(4) Unless stored within an enclosed garage, no motorcycle, motorbike, moped, all-terrain vehicle or other such vehicle (collectively, "Motorcycles") may be parked or stored outside of a Unit, on a Lot or otherwise within the Subject Property. No Motorcycle is permitted to be operated within the Subject Property unless such Motorcycle is licensed for street use and is equipped with appropriate noise-muffling equipment so that such operation does not create an annoyance to the residents of the Subject Property. If the Approving Party determines the operation of any such Motorcycle creates an annoyance to the residents of the Subject Property, then after written demand from the Approving Party to owner of any such Motorcycle, such Motorcycle shall not be permitted to operate within the Subject Property.

(5) No major repair of any Permitted Vehicle or Permitted Boat shall be undertaken while any such Permitted Vehicle or Permitted Boat is located on the Subject Property. All Permitted Vehicles parked or Permitted Boats stored within the Subject Property must be painted with colors and in a manner that is customary for such Permitted Vehicles or such Permitted Boats and that is not offensive or distasteful in the reasonable opinion of the Approving Party.

(6) For the purposes hereof, Overnight shall be defined as that period of time commencing at sunset and ending at sunrise.

(7) The foregoing restrictions shall not be deemed to prohibit the temporary parking of commercial vehicles while making delivery to or from the Subject Property or while used in connection with providing services to the Subject Property, nor shall the foregoing restrictions be deemed to prohibit the temporary parking of governmental law enforcement agency, fire agency, emergency vehicles or other governmental agency vehicles within the Subject Property.

(c) Sports Facilities. No tennis court, racquetball court, batting cage, golf practice range, basketball court or backboard, roller skating rink or other permanent structure associated with any recreational activity may be erected within the Subject Property without the prior written consent of the Approving Party, which consent may be provided or denied in the sole and absolute discretion of the Approving Party. The fact that the Approving Party authorizes the maintenance of any permanent structure for any recreational activity shall under no circumstance provide a right in any other Party to maintain the same or any other type of permanent structure for any recreational activity. Notwithstanding the foregoing, free-standing basketball backboards permanently installed (but not affixed to the exterior of any Unit) shall be permitted, provided that such basketball backboards conform to the standards

established by the Approving Party, from time to time, as to location, color, size and style. Likewise, any structure associated with any recreational activity permitted pursuant hereto may be only be used during daylight hours.

(d) Commercial Use. No trade, business, profession, other commercial activity or any other non-residential use shall be conducted by an Owner or any resident of a Unit from any Unit or any Lot, if in connection therewith, customers, clients, patients or the like come to the Unit or if such non-residential use is otherwise apparent from the exterior of the Unit. The Association may, in the exercise of the sole and absolute discretion of the Association, require an Owner or any resident of a Unit to discontinue any such non-residential use otherwise authorized hereby, in the event the Association determines that such use is creating a nuisance or otherwise interferes with the rights of other Owners. The foregoing shall not preclude the leasing of Units in accordance with this Declaration or activities associated with the construction, development and sale of the Subject Property or any portion thereof.

(e) Clotheslines and Outside Clothes Drying. No clotheslines or clothespoles shall be erected, and no outside clothes drying is permitted, except where same is required for energy conservation purposes by an order of an appropriate governmental authority, in which event the Approving Party shall have the right to approve, which approval must be in writing, the portion of any Lot to be used for outdoor clothes drying purposes and the types of devices to be employed in therefor. In all events, however, outdoor clothes drying, if required will be permitted only at the back of a Lot behind a Unit in an area that is screened from the view from adjoining roads and from other Units within the Subject Property, by use of portable outdoor drying apparatus which will be required to be removed when not in use.

(f) Common Areas. Nothing shall be stored, constructed, placed within or removed from any Common Area by any Owner other than Declarant unless previously approved in writing by the Approving Party.

(g) Drainage Areas. Catch basins and other drainage areas are for the purpose of natural flow of water only. No Owner or authorized resident of any Unit may obstruct or redirect the drainage flows of drainage swales, storm sewers or storm drains, nor shall any Owner or authorized resident of any Unit permit debris to be placed in these areas.

(h) Exterior Changes, Alterations and Improvements. Except as permitted by this Declaration, the commencement and completion of all exterior changes or other alterations to a Unit and the commencement and completion of any other Improvement to any Unit or Lot shall not be undertaken without the prior written consent of the Approving Party as required hereby.

(i) Fences and Hedges.

(1) No fences (a "Non-Hedge Fence") or landscape hedges (a "Hedge Fence") shall be installed except in the form as originally installed by Declarant. Hereinafter, a Non-Hedge Fence and a Hedge Fence may be individually referred to by name and shall collectively be referred to as "Fences". Accordingly, all Non-Hedge Fences shall be of a height of six (6) feet white shadow box type, or of a height of four (4) feet black or green vinyl coated chain link, except as may otherwise approved in writing by the Approving Party, in the exercise of the sole and absolute discretion of the Approving Party. All Hedge Fences shall be of a height of six (6) feet or less, except as may otherwise approved in writing by the Approving Party, in the exercise of the sole and absolute discretion of the Approving Party. All Fences shall be of the height

indicated hereinabove, except as may otherwise approved in writing by the Approving Party, in the exercise of the sole and absolute discretion of the Approving Party.

(2) It is the specific intention hereof to prohibit Fences that restrict the view of the front elevation of Units constructed on the Lots. Accordingly, permitted Fences intended to run parallel to the front elevation of a Unit shall:

(A) on the garage side of a Unit, be set back fifteen (15) feet from a hypothetical line that is parallel to and coincident with the "pad" building line of the garage of such Unit and any perpendicular member thereof shall not extend forward of such hypothetical line; and

(B) on the side of a Unit that is opposite to the garage side of such Unit, be set back ten (10) feet from a hypothetical line that is parallel to and coincident with the "pad" building line of the front of such Unit and any perpendicular member thereof shall not extend forward of such hypothetical line.

(3) It is the specific intention hereof to prohibit Fences that unreasonably restrict the Owner's view of the Lakes. Accordingly, on Lake Lots, permitted Fences intended to run parallel to the rear elevation of a Unit shall be permitted to run on a hypothetical line that is a no more than twenty eight (28) feet from a hypothetical line that is parallel to and coincident with the "pad" building line of the rear of such Unit (the "Sight Line") and any perpendicular member thereof shall not extend toward the Lake from such Sight Line.

(4) The sole responsibility for the watering, care and maintenance of any approved Hedge Fence installed on any Lot shall be that of the Owner of the Lot wherein such hedge Fence is so installed, and the sole responsibility for the care and maintenance of any approved Non-Hedge Fence installed on any Lot shall be that of the Owner of the Lot wherein such Non-Hedge Fence is so installed.

(j) Garages. No garage shall be permanently enclosed, and no portion of a garage originally intended for the parking of a vehicle shall be converted into a living space or storage area, unless first approved in writing by the Approving Party. In no event, however, may any Unit have less than a one (1) car garage. All garage doors shall remain closed except when vehicles are entering or leaving therefrom.

(k) Garbage and Trash. No Owner shall permit garbage, trash, refuse or rubbish to unreasonably accumulate on any Lot, and no Owner shall permit garbage, trash, refuse or rubbish to be placed or dumped on any portion of the Subject Property, including but not limited to any Common Area, Common Use Area, or on any property contiguous to the Subject Property not intended for such purpose. Garbage, trash, refuse or rubbish that is required to be placed along any road or in any particular area in order to be collected may be so placed in appropriate receptacles only after 5:00 p.m. on the day before the scheduled day of collection, and all such receptacles must be removed from such collection areas on the collection day. Except when so placed for collection, all such receptacles shall be kept inside a Unit or other area on a Lot intended for such use, which area shall be screened from view from adjoining roads and from other Units within the Subject Property and which shall be kept in a clean and sanitary condition.

(l) Guns. The use of firearms upon the Subject Property is prohibited. The term "firearms" includes all firearms of any type or character and by way of example but not as a limitation includes "B-B" guns and pellet guns.

(m) Improper Use. No improper, offensive or unlawful use shall be made of any Unit or Lot, and all valid laws, zoning ordinances and regulations of all governmental or quasi-governmental bodies having jurisdiction shall be strictly observed.

(n) Insurance Rates. Nothing shall be done or kept on the Lots or any Improvement that will increase the rate of insurance on any portion of the Subject Property insured by the Association; nor shall anything be done or kept on the Lots or any Improvement that would result in the cancellation of insurance on any portion of the Subject Property insured by the Association.

(o) Lawn Maintenance. All Units and Lots shall be kept in a clean and sanitary manner and shall be maintained in first-class condition with a well maintained lawn and landscaping. No lawn on any Lot shall be permitted to exceed six (6) inches in height, and in the event any lawn so exceeds such height limitation, the Association may, but shall not be required to, cut such lawn and the cost thereof to the Association plus a Fifty Dollars (\$50.00) service fee to the Association shall be paid by such Owner to the Association as an assessment.

(p) Mailboxes. All mailboxes shall be of the same type and color as that which was originally installed by the Declarant or which is thereafter approved by the Approving Party.

(q) Hazardous or Toxic Substances. No hazardous or toxic substances, chemicals, pesticides, fertilizers or any other matter shall be placed on any portion of the Subject Property or the Water Management System. Fertilizers and pesticides shall be used on Lots only in a reasonable manner and only for the purpose for which such products are intended. Owners shall take strict precautions to prevent fertilizers and pesticides from entering the Water Management System.

(r) Water Supply Systems.

(1) Lots. No individual water supply system shall be permitted on any Lot, except that individual supply systems for the purpose of irrigation of the lawn and landscaping upon a Lot shall be permitted; provided that as to any such individual irrigation supply system each Owner must comply with the following:

(A) Any individual irrigation supply system must be installed, operated and maintained in such a manner as to prevent stains and/or discoloring to any exterior portion of any Improvement upon any Lot or upon any Common Area or to any vehicle. An Owner shall be required to clean, repair or replace any and all Improvements that are discolored due to stains caused by such individual irrigation supply system within thirty (30) days of notice from the Association.

(B) No Owner of any Lot shall be permitted to install an individual irrigation supply system that utilizes a well. Each Owner of a Lake Lot shall be permitted to utilize the Lake as the water source for such individual irrigation supply system, and each Owner of any Lot that is not a Lake Lot shall be required to utilize the potable water supply system as the water source for such individual irrigation supply system, unless otherwise required by the local municipality exercising jurisdiction over same.

(C) Any individual irrigation supply system installed on any Lot shall be an automatic underground system of substantially the same character as originally installed by Declarant.

(2) Common Area. The Common Area shall be irrigated by the type of irrigation supply system, including but not limited to wells, as may be determined by the Declarant or the Association, as the case may be, in the exercise of the sole and absolute discretion of Declarant or the Association, as the case may be. In the event that the Declarant or the Association, as the case may be, has irrigated or determines to irrigate any Common Area by utilization of any Lake as the water source for such irrigation, then the Declarant and the Association and any duly authorized representative thereof shall have an easement over all portions of the Subject Property and the irrevocable right of access through all portions of the Subject Property from time to time during reasonable hours as may be necessary in connection with operation, maintenance repair and replacement any such irrigation supply system utilizing any Lake.

(s) Oil Drilling and Mining. No oil or natural gas drilling, refining, quarrying or mining operations of any kind shall be permitted upon any Lot or other portion of the Subject Property and no derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted on any Lot or other portion of the Subject Property; nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted on any Lot or other portion of the Subject Property.

(t) Nuisances. No nuisances, no unreasonably offensive or unlawful actions and no use or practice that is an unreasonable source of annoyance to the Owners or authorized residents of the Units or that shall interfere with the peaceful possession and proper use of the Subject Property by the Owners and the authorized residents of the Units shall be permitted to be maintained within the Subject Property. All laws, zoning ordinances and regulations of all applicable governmental authorities shall be complied with at all times by the Owners the authorized residents of the Units.

(u) Occupancy. No Unit shall be permanently occupied by more than two (2) persons for each bedroom contained in the Unit. Temporary guests will be permitted upon the Subject Property so long as such guests do not create an unreasonable source of noise or annoyance to the other Owners or authorized residents of the Units.

(v) Outside Antennas and Flags. Except for such satellite dishes as may be mandated by applicable federal law, provided that any such mandated satellite dish may only be located in an area on a Lot that is screened from the view from adjoining streets and Lots, and further provided that in no event shall any such mandated satellite dish be installed on any roof of any Unit, on the front of any Unit, higher than the lowest point of any facade of any Unit and, if installed on the ground, such mandated satellite dish must be screened from view by an approved Hedge Fence, no outside signal receiving or sending antennas, dishes or devices are permitted on any exterior portion of a Lot without the prior written consent of the Approving Party which consent may be withheld in the exercise of the sole and absolute discretion of the Approving Party. The foregoing restriction shall not prohibit the Association from authorizing any antenna or signal receiving dish owned by a third party that is intended to service the entire Subject Property from being located at such location within the Subject Property as may be determined by the Approving Party in the exercise of the sole and absolute discretion of the Approving Party. Likewise, the Association may, but shall have no obligation to, contract with a cable television provider to provide cable television services to all of the Lots, and in such event, the cost thereof shall be a Common Expense. No flag poles are permitted on any portion of the Subject Property without the

prior written consent of the Approving Party, which consent may be withheld in the exercise of the sole and absolute discretion of the Approving Party. Notwithstanding the foregoing, an Owner may display an appropriately sized American flag on such Owner's Lot.

(w) Outside Storage of Personal Property. Except for tasteful patio furniture and accessories, Bar-B-Q grills, playground equipment, of the type authorized by the Approving Party, and other personal property commonly kept outside, the personal property of an Owner or an authorized resident of a Unit shall be kept inside of the Unit or on an area on a Lot (but in no event in any area in front of a line which is parallel to the front of the Unit) that is screened from the view from adjoining streets and from Lots and must appear neat and in good condition.

(x) Animals, Livestock and Domestic Pets. No animals, livestock, pigs or poultry of any kind shall be permitted within the Subject Property except for common household domestic pets (a "Pet"), provided that in no event shall pit bull terriers, pigs or poultry be deemed to be a Pet. Further, without the written consent of the Approving Party, which consent may be withheld in the sole and absolute discretion of the Approving Party, only 3 of such Pets are permitted to be maintained within any Unit. No permitted Pet shall be housed outside of a Unit (whether in a separate shelter intended for such housing or otherwise), and any Pet permitted to be maintained within any Unit must be carried or kept on a leash when outside of the Lot where such permitted Pet is maintained. No such Pet shall be permitted onto any other Owner's Lot without the permission of such other Owner, and no Pet will be permitted to create an unreasonable nuisance or annoyance to other Owners or authorized residents of the Subject Property. No Owner shall install any type of invisible animal restraint system at any point on a Lot forward of the front building line of a Unit. Each Owner or resident maintaining a permitted Pet shall immediately pick up and remove any solid animal waste deposited by such Pet on any portion of the Subject Property. No commercial breeding of any animal is permitted within the Subject Property. The Approving Party shall have the right to require an Owner or authorized resident of the Subject Property to immediately and permanently remove a permitted Pet or other animal from the Subject Property in the event of a violation of this paragraph.

(y) Lake Improvements; Excavation. Without the prior written consent of the Approving Party, which consent may be withheld in the sole and absolute discretion of the Approving Party, and thereafter, subject to the receipt of any and all applicable governmental approvals:

(1) no boat house, dock building, landing, mooring pile, ramp or other Improvement for use by Permitted Boats or other aquatic vehicles of any type or character shall be permitted on any Lot;

(2) no Lot shall be increased in size by the filling in of any Lake which abuts any Lot or otherwise;

(3) no canal or other waterway shall be dug or excavated in any portion of any Lot; and

(4) no beach or similar type area shall be created upon any Lot.

(z) Use of Lakes. The Association may, from time to time, in the exercise of the sole and absolute discretion of the Association establish standards, rules, regulations and other guidelines relating to the use of Permitted Boats within the Lakes and other matters associated with the use and enjoyment of the Lakes by the Owners.