

Prepared by:
Michael J. Brudny, Esq.
One Urban Centre, Suite 750
4830 West Kennedy Blvd.
Tampa, Florida 33609

AMENDED AND RESTATED
DECLARATION OF EASEMENTS, COVENANTS, CONDITIONS
AND RESTRICTIONS FOR LAKE HERON

WHEREAS, LAKE HERON PARTNERSHIP, as Developer and Declarant, recorded a Declaration of Easements, Covenants, Conditions and Restriction for Lake Heron ("the Declaration") at Official Record Book 3182, page 1985 of the Pasco County public records submitting Lake Heron Phase I, according to the plat recorded at Plat Book 30, page 141-142 of the Public Records of Pasco County, Florida to the terms of the Declaration; and

WHEREAS, Phase II of Lake Heron, according to the plat recorded at Plat Book 31, pages 113-114 of the Public Record of Pasco County, Florida was also submitted to the terms of the Declaration; and

WHEREAS prior amendments to the terms of the Declaration were recorded at Official Record Book 3240, page 386 and Book 3257, page 785, of the Public Records of Pasco County, Florida; and

WHEREAS, an assignment of development rights has been entered, assigning present and future development rights to the property described on Exhibit A, and all rights of the Declarant, to Van Dorsten Corporation; and

WHEREAS, additional phases of Lake Heron contained within Exhibit A may be submitted to the terms of the Declaration in the future; and

WHEREAS, this Amended and Restated Declaration is intended to supersede and replace the provisions of the original Declaration as amended;

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NOW, THEREFORE, for the purposes of enhancing and protecting the value, attractiveness, and desirability of LAKE HERON PHASES I and II, and so much of the real property described in Exhibit "A" as is subjected subjects to this Declaration of Easements, Covenants, Conditions, and Restrictions, VAN DORSTEN CORPORATION hereby declares that (i) LAKE HERON PHASES I and II shall be subject to this Amended and Restated Declaration of Easements, Covenants, Conditions, and Restrictions and (ii) all of the real property which is subject to this Amended and Restated Declaration of Easements, Covenants, Conditions, and Restrictions shall be owned and conveyed subject to the following easements, covenants, conditions, and restrictions, which shall constitute covenants running with the land and shall be binding upon all persons having any right, title, or interest therein and their grantees, heirs, successors and assigns and shall inure to the benefit of each owner thereof, as hereinafter provided.

ARTICLE I
DEFINITIONS

SECTION 1. "ARTICLES" means the Articles of Incorporation of LAKE HERON HOMEOWNERS, ASSOCIATION, as duly amended from time to time.

SECTION 2. "ASSOCIATION" means LAKE HERON HOMEOWNERS, ASSOCIATION, INC., a not-for-profit corporation, organized and existing under the laws of the State of Florida, and its successors and assigns.

SECTION 3. "BOARD OF DIRECTORS" or "BOARD" means the Board of Directors of LAKE HERON HOMEOWNERS' ASSOCIATION, INC.

SECTION 4. "BY-LAWS" means the by-laws of LAKE HERON HOMEOWNERS' ASSOCIATION, INC., as duly amended from time to time.

SECTION 5. "COMMON AREAS" means any real property owned by the Association for the common use and enjoyment of the Members. The Common Areas, which have been conveyed to the Association are described in Exhibit "E11, which is attached hereto and, by this reference, made a part hereof.

SECTION 6. "DECLARATION" means, this Declaration of Easements, Covenants, Conditions, and Restrictions for LAKE HERON, as duly amended from time to time.

SECTION 7. "DECLARANT" OR "DEVELOPER" means VAN DORSTEN CORPORATION, a corporation organized and existing under the laws of the State of Florida, and its successors and assigns, provided that the Developer indicates in its deed or other instrument of conveyance that it is the intent of the Developer to convey all or a portion of its rights as the Developer pursuant to this Declaration to such successor or assignee. The Developer shall at all times have the right to assign all or any portion of its rights as the Developer to any successor or assignee without the consent or joinder of any owner of, or any holder of a mortgage, lien, or other encumbrance upon any residential building lot, and such successor or assignee shall exercise the rights granted to it concurrently with, and not in contravention of, the Developer's rights.

SECTION 8. "DEVELOPMENT LANDS" means the real property described in Exhibit "A".

SECTION 9. "DWELLING" means any residential structure located on a residential building lot.

SECTION 10. "INSTITUTIONAL MORTGAGEE" includes any -bank, savings and loan association, savings bank, mortgage banker, secondary mortgage lender, federal agency, Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, -pension fund, insurance company, real estate investment trust, or any other lender generally recognized as an institutional lender holding a mortgage on one or more residential building lots.

SECTION 11. "MEMBER" means every person or entity entitled to membership in the Association.

SECTION 12. "MAINTENANCE" means the exercise of reasonable care in keeping the buildings, roads, landscaping, lighting and other improvements and fixtures within the Common Areas, as well as certain fences on the Lots, in a good condition, normal wear and tear excepted. Maintenance of landscaping shall also mean exercising the generally accepted garden-management practices necessary to promote plant growth.

SECTION 13. "OPERATING EXPENSES" means the expenses for which owners of residential building lots are liable to the Association and includes, but is not limited to, all costs and expenses incurred by the Association in administering, operating, maintaining, repairing, and replacing the Common Areas and any improvements constructed thereon.

SECTION 14. "OWNER(S)" means the record owner or owners of a fee simple interest in any residential building lot, including the Developer, for so long as it is the owner of a fee simple interest in any residential building lot, but not including those persons or entities holding title merely as security for the performance of an obligation.

SECTION 15. "RESIDENTIAL LOT" or "LOT" means any residential building lot, with the exception of the Common Areas, within the real property which is subject to this Declaration.

SECTION 16. "SUBDIVISION" means LAKE HERON, including PHASES I AND II, and so much of the real property described in Exhibit "All as the Developer subjects to this Declaration.

ARTICLE II PROPERTY RIGHTS

SECTION 1. The Association and all Owners are hereby granted a perpetual, non-exclusive easement over the Common Areas, for the use of all Owners, the Association, and their respective families, agents, servants, guests, lessees and invitees, for all proper and normal purposes and for the furnishing of services and facilities for which the same are reasonably intended, which easement is appurtenant to and may not be separated from title to the Owner's Lot, subject to the following:

A. The right of the Association to charge reasonable fees for the use of any facility which might be situated upon the Common Areas.

B. The right of the Association to suspend the voting rights and right to use of the facilities by an Owner, and any person claiming by, through or under an Owner, for reasons and periods including, but not limited to, the following:

(1) Any period during which any regular or special assessment against such Owner's Lot remains unpaid; and

(2) For a period not to exceed thirty (30) days for any first infraction by an Owner, a member of his family, or his servant, guest, lessee or invitee of the published rules and regulations of the Association and ninety (90) days for a second infraction.

C. The right of the Board of Directors of the Association to dedicate or transfer all or any part of the Common Areas to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed upon by the Members and the applicable government authorities; however, no such dedication or transfer shall be effective unless an instrument signed by sixty-seven percent (67%) of each class of Members, agreeing to such dedication or transfer has been filed among the books or records of the Association and an instrument duly reflecting such dedication or transfer and executed by the properly authorized officers of the Association has been duly recorded in the Public Records of Pasco County, Florida, with the formalities necessary to record a deed.

D. The right of the Board of Directors of the Association to adopt reasonable rules and regulations controlling the use of the Common Areas to promote the health, safety and common interests of all of the Owners.

E. The right of the Association to impose reasonable limits upon the number of guests who may use these facilities.

F. The right of the Association to borrow money for the purpose of improving the Common Areas or acquiring additional property or for constructing, repairing or improving facilities located thereon and to give as security for the payment of any such loans a mortgage conveying all or any portion of the Common Areas except streets; provided, further, that the creation of any such mortgage shall require approval of seventy-five percent (75%) of those voting in each class of Members at a special meeting held for this purpose.

G. Any limitations on use contained elsewhere in this Declaration.

SECTION 2. Delegation of Use. Any Owner may delegate his right of enjoyment to the Common Areas and facilities to the members of his family, his tenants, business invitees, social invitees or contract purchasers who reside on the Owner's Lot.

SECTION 3. Limitations Upon Use of Common Areas. No Owner may plant or garden or erect or maintain fences, hedges, walls or other improvements upon the Common Areas, unless approved in writing by the Board of Directors of the Association, ~~provided, however, the Developer shall have the right to install such improvements as it shall deem desirable, in its sole discretion, in connection with the development of any portion or all of the Development Lands.~~

SECTION 4. Easements of Encroachments. There shall be reciprocal, perpetual, non-exclusive easements between adjacent Dwellings and Lots, and any portion of portions of the Common Areas adjacent thereto, for any encroachment due to placement, settling or shifting of the improvements constructed, re-constructed or altered thereon, including but not limited to roof overhangs, gutters, down spouts, rain water run-off therefrom, and perimeter walls or footers, provided such construction, re-construction or alteration is in accordance with the terms and conditions of this Declaration. Such easements shall exist to a distance of not more than five (5) feet as measured from any point on the common boundary between each Lot or Dwelling or any adjacent portion of the Common Areas along a line perpendicular to such boundaries at such points. Any such easement for encroachment shall include a perpetual, non-exclusive easement for the maintenance and use of the encroaching improvements in favor of the respective Owners of such Lots or Dwellings and Lake Heron Homeowners' Association, Inc., and their respective successors, assigns, employees and agents. No such easement shall exist for any such encroachment occurring as a result of the willful or intentional conduct of an Owner.

SECTION 5. Easements for Ingress, Egress, Utilities and Use of Facilities.

A. Utilities and Fences. There shall be non-exclusive, perpetual easements in, over, under and upon the Common Areas and the Lots subject hereto as more particularly shown on the plat of the subdivision as may be required for utility services in order to adequately serve the Lots and Dwellings, and the Common Areas in whole or in part, including, but not limited to, electricity,

telephones, sewer, gas, water, lighting, irrigation, drainage, television antenna and cable television facilities and electronic security facilities. However, easements through Lots shall be only according to the plans and specifications for such Lots and the Dwellings constructed thereon or as actually constructed or reconstructed unless approved in writing by the Owner thereof. The Association shall have the right to enter any Lot to inspect, maintain, repair or replace such utility service facilities and to remove any improvements interfering with or impairing the utility services or easements herein provided, and to maintain and repair fences constructed by the Developer.

B. Pedestrian and Vehicular Traffic. There shall be non-exclusive, perpetual easements for pedestrian traffic over, through, across and upon sidewalks, paths, lanes and walks as the same may from time to time exist upon the Common Areas and be intended for such purposes; and for pedestrian and vehicular traffic and parking over, through, across and upon such portions of the Common Areas as may from time to time be paved and intended for such purposes, such easements being for the use and benefit of the Association, the Developer, and the Owners, and their respective families, successors, assigns, agents, employees, servants, guests, lessees and invitees.

~~C. Developer's Ingress and Egress. The Developer, for itself, its successors and assigns, and their respective servants, guests, lessees and invitees, expressly reserves an easement for ingress, egress and parking over the Common Areas and any portion of the Development Lands subject hereto.~~

~~D. Additional Development. The Developer, its successors, nominees and assigns hereby reserves easements over, under, across and upon all of the Common Areas, including the recreational facilities (which may be the subject of a Use and Maintenance agreement between this Association and any other association organized to operate and manage any of the properties shown on Exhibit "A", providing for sharing of expenses on a pro rata basis), and any portion of the Development Lands subject hereto for ingress, egress and regress and easement for utilities, including but not limited to those necessary to provide water, sewer, lighting facilities, irrigation, drainage, television transmission facilities, security services, electronic and other facilities in connection therewith and the like to all or any portion of the~~

property described in Exhibit "All attached hereto, whether or not said property is subject to the terms and conditions of this Declaration-

SECTION 6. No Partition. There shall be no judicial partition of the Common Areas nor shall Developer or any Owner or other person or entity acquiring any interest in the property subject to this Declaration, as duly amended from time to time, or any part thereof, seek judicial partition thereof.

SECTION 7. Right of Entry. The Association, through its duly authorized agents, employees and contractors, shall have the right after reasonable notice to the Owner thereof, to enter any Lot at any reasonable hour of the day, to perform such maintenance as may be authorized herein. In the event of any emergency which might reasonably result in damage to any Lot or the Common Areas, the Association shall have the right to enter any Lot as may be reasonably necessary to resolve such emergency without prior notice to the Owner thereof.

~~SECTION 8. Developer's Privileges. The Developer shall have the right to transact on the Common Areas, Development Lands and upon any Lots which it owns, any and all business necessary to consummate the development and sale of the Residential Lots and the construction of Dwellings and other improvements on the Lots and Common Areas, and such business shall include but not be limited to, the right to erect signs and maintain a sales office or offices on the Common Areas and the Lots which it owns, place employees in the sales office(s), and store, on the Lots which it owns and the Common Areas, golf carts and other vehicles, and use the Common Areas and improvements constructed thereon. The sales office(s), signs, and all other items pertaining to sales shall not be considered Association property, and shall remain the property of the Developer. Notwithstanding anything to the contrary contained herein, the Developer expressly reserves the right, without the consent of any Owner, Institutional Mortgagee, the Association, or any other person or entity to construct, develop and sell condominium units, residential lots or such other improvements or interests in real property as the developer, in its sole and absolute discretion, may determine, on any portion or all of the property more particularly described on Exhibit "All attached hereto which is not subject to the terms and conditions of this Declaration as duly amended from time to time.~~

SECTION 9. No part of the Common Areas may be mortgaged or conveyed without the consent of at least two-thirds of the Class A Owners voting at a meeting held for this purpose. If ingress or egress to or from any Lot is through the Common Area, any conveyance or encumbrance of such Common Area is subject to the Lot Owner's easement.

ARTICLE III
MEMBERSHIP IN ASSOCIATION: VOTING RIGHTS

SECTION 1. Membership. The Developer and every person or entity who is a record Owner of a fee or an undivided fee interest in any Lot, as evidenced by the recordation of proper instruments among the Public Records of Pasco County, Florida, shall automatically be Members of the Association. Such membership shall automatically terminate when such persons or entities divest themselves of their respective interests in their Lot- The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. membership shall be appurtenant to and shall not be separated from ownership of any Lot which is subject to this Declaration.

SECTION 2. Voting Classes.

A. The Association shall have two (2) classes of voting Members, as follows:

(1) Class A- Class A Members shall be all Owners of Lots (save and except for Developer, **prior to turnover to the Association**), who shall be entitled to one (1) vote for each Lot or Unit owned. **Any owner who is delinquent 60 days or greater in payment of assessments at the time at which the annual meeting is held will forfeit the right to vote in the annual meeting.**

(2) Class B. Class B Members shall be the Developer (as defined hereinabove), and shall be entitled to four (4) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of any of the following events, whichever occurs first (the "Turnover Date"):

(a) When Seventy-five percent (75%) of the total Lots or Dwellings located on the property described in Exhibit "A", and which are intended by the Developer to be subject to the jurisdiction of this Association, are deeded to Owners; or

(b) On January 1, 2003; or,

(c) At any time the Developer shall elect, in its sole discretion, to convert the Class B memberships held by it to Class A memberships.

B. When more than one person ~~other than the Developer~~ holds an undivided fee interest in any Lot, all such persons shall be Class A Members, and shall enjoy full membership rights, privileges and obligations as set forth hereinafter, and the vote for such Lots shall be exercised as they, among themselves, determine, but in no event shall more than one (1) vote be cast with respect to any one Lot.

SECTION 3. Developer Voting Rights. Notwithstanding the provisions contained hereinabove with regard to the conversion of Class B membership to Class A membership, it is specifically understood that:

A. Until the Turnover Date provided for in the Articles, the Class B membership shall have the right of veto on all questions coming before the membership which affect the interests of the Developer; and

B. Upon the Turnover Date, Developer shall become a Class A Member with regard to each Lot owned by Developer, notwithstanding the provisions to the contrary hereinabove, and Developer shall be entitled to one (1) vote for each such Lot owned by Developer on all questions coming before the membership for a vote thereon.

SECTION 4. Passage of Issues. The vote required for the passage of any particular issue, which shall be the proper subject of a vote by the Members of the Association, shall be that number as set forth herein and in the Articles of Incorporation and ByLaws of the Association, as the same may be amended from time to time, subject to the provisions set forth hereinabove relating to Class B membership and the Developer's voting rights.

ARTICLE IV
COVENANT FOR MAINTENANCE ASSESSMENTS

SECTION 1 Creation of Lien and Personal Obligation of Assessments.

A. The Owner of each Lot owned within the property subject hereto, by acceptance of a deed therefor, whether or not it shall be so expressly stated in such deed or deeds, unconditionally covenant and agree to pay to the Association:

1. Regular assessments or charges; and
2. Special assessments as determined by the Board of Directors of the Association.

B. Each of the aforementioned assessments shall be established and collected as hereinafter provided. The regular and special assessments, together with interest at the highest rate allowed by law, and costs of collection thereof, including, but not limited to reasonable attorneys, fees, shall be a charge on the Lot assessed and shall be a continuing lien upon said Lot, such lien relating back to the date of recording of this Amended and Restated Declaration, provided that the lien will be inferior to subsequent institutional first mortgages only. Each assessment, regular or special, together with interest at the highest rate allowed by law, and costs of collection thereof, including but not limited to reasonable attorneys' fees, shall also be the personal obligation of the person or entity who was the Owner of record of the Lot described in the assessment on the date when the assessment, regular or special, became due and payable. No Owner may avoid, waive or otherwise escape liability for payment of the regular or special assessments provided for herein by failure to use or enjoy the Common Areas for any reason whatsoever, or by abandonment of the Lot against which the assessment is made. The personal obligation for delinquent assessments shall not pass to the successors in title of the record Owner on the date when delinquent assessments became due and payable unless expressly assumed by such record Owner's transferee.

SECTION 2. Purpose of Assessments.

A. The assessments levied by the Association shall be used exclusively to:

1. Promote the recreation, health, safety and welfare and common interests of the Members of the Association.

2. Provide for the improvement, management, maintenance, repair, replacement and insurance of the Common Areas and any improvements constructed thereon.

3. Provide for the exterior maintenance of the Lots and Dwellings, as described herein, as provided in Article VI hereinafter.

B. The Board of Directors of the Association is hereby empowered to prepare and adopt an annual budget, and based thereon to determine the amount of the regular assessment from year to year or as often as may be required, subject to adjustment as provided herein, but in no event shall the regular assessment be readjusted more often than quarterly, unless necessary due to the economic reality of providing the items of service set forth herein as same shall vary from time to time.

C. The Association may acquire and pay for, out of the funds derived from regular assessments, certain items of service which may include, but shall not be limited to, the following:

1. Maintenance and repair of structures or improvements that may be constructed within the Common Areas, and certain structures on the Lots, from time to time, specifically including, but not limited to, fences, road, drainage facilities and retention ponds, and recreational facilities;

2. Electricity, light bulbs, wiring and other necessary electrical utility service for the Common Areas and any improvements located thereon;

3. Maintenance and operation of street lights for the Common Areas, including costs for repair or replacement of damaged street lights to the extent such costs are not covered by the utility company;

4. Maintenance of the grounds of the Common Areas, including, but not limited to, pumps, wells, sprinkler systems, other equipment and personnel necessary for lawn and shrubbery service and for maintenance of any sidewalks, roads, fences, walkways and retention ponds located in the Common Areas;

5. Carry and pay for a comprehensive policy of public liability insurance and, if appropriate, owners', landlord and tenant policies naming the Association, **Board of Directors, and their designees** ~~until the Turnover Date, Developer~~ as named insured thereof insuring against all claims or demands made by any person or persons whomsoever for injuries received in connection with, or arising from, the operation, maintenance and use of the Common Areas and other property owned by the Association and any improvements and buildings located thereon, and for any other risks insured against by such policies with limits in amounts determined appropriate by the Board from time to time. Such coverage shall include as appropriate, without limitation, protection against water damage liability, liability for non-owned and hired automobiles, liability for property of others, host liquor liability and such other risks as are customarily covered with respect to property similar to the Common Areas in construction, location and use;

6. Such other forms of insurance and in such coverages as the Association shall determine to be required or beneficial for the protection or preservation of the Common Areas and any buildings and improvements now or hereafter located thereon or in the best interests of the Members, the Board Members, or the Association; provided, however, that all insurance policies purchased by the Association shall be for the benefit of the Association, the Members, and their respective mortgagees, as their interests may appear, and shall provide that all proceeds covering casualty losses shall be paid to the Association.

7. Carry and pay for comprehensive property damage insurance on any and all structures or improvements which may from time to time be constructed upon the Common Areas. Such insurance shall be a "master" or "blanket" type policy of property insurance in an amount equal to the replacement value, excluding foundation and excavation costs. Such coverage shall afford protection against loss or damage by fire and other hazards covered by a standard extended coverage endorsement and such other risks as from time to time will be customarily covered with respect to improvements similar in construction, location and use to the improvements constructed on the Common Areas, if any, including, but not limited to, vandalism and malicious mischief, and all other perils normally covered by the standard "all risk" endorsement, where such is available.

8. Workers' Compensation: Workers' Compensation necessary to meet the requirements of law shall be purchased by the Association.

9. Flood Insurance Protection: The Association shall acquire flood insurance protection under the Flood Disaster Protection Act of 1973 for any properties that are in the flood zone and that are owned by the Association, and shall be in an amount equal to the lesser of (a) the maximum coverage available under the National Flood Insurance Program for the improvements and other insurable property within any portion of the Common Areas located within a designated flood hazard area, or (b) one hundred percent (100%) of the current replacement cost of the improvements and other insurable property.

10. Trash and garbage collection and sewer and water service for the Common Areas and any and all improvements located thereon, whether supplied by a private or public firm.

11. Any and all legal fees, audit fees and miscellaneous management fees that are necessary and proper in the opinion of the Board of Directors of the Association, including the costs of administration of the Association and any and all materials, supplies, labor, services, maintenance, insurance, taxes or assessments which the Association is required to pay or to secure pursuant to the terms of this Declaration or the By-Laws of the Association, which is necessary or proper in the opinion of the Board of Directors of the Association for the operation of the Common Areas, for the benefit of the Owners or for the enforcement of these restrictions.

12. Community amenities and services, including, but not limited to curbside trash collection, cable TV, security monitoring, and termite control.

1213. Any and all other purposes deemed necessary and proper. Upon a proper vote as set forth in the by-Laws of the Association at a meeting duly called for that purpose, the Board of Directors may vote to establish an additional category of Operating Expenses for the happening of certain named events or services which are required or desired by the Association, which category shall be determined and set forth in a resolution duly voted upon by the Board of Directors and executed by duly authorized officers of the Association.

SECTION 3. Special Assessments. In addition to the regular assessments authorized above, the Association, through its Board of Directors, may levy in any "assessment year", which shall be defined as that period of time from the date of the Association's annual meeting as set forth in the by-Laws until the next, ensuing annual meeting one calendar year subsequent thereto, a special assessment applicable to that year only, for the purpose of defraying in whole or in part the cost of any construction, reconstruction, re-paving, major repair or replacement of a capital improvement located or to be constructed within the Common Areas, including any fixtures and/or personal property relating thereto, or any other common expenses of the Association in the event the regular assessments are or will be insufficient to cover these in the opinion of the Board. Notwithstanding anything to the contrary contained in this Declaration, in the event of any maintenance, repair or replacement to the Common Areas caused by negligence or misuse by an Owner, his family, servants, agents, guests, invitees or lessees, the Association, through its Board of Directors, shall have the right to levy a special assessment against such owner and his Lot for the cost of such maintenance, repair or replacement. In addition, any cost or reasonable attorneys' fee incurred by the Association in connection with any action of any nature whatsoever

against an Owner, his family, servants, guests, invitees or lessees shall be assessed against such Owner and his Lot as a special assessment.

SECTION 4. Right of Assessment. Pursuant to the obligation of the Association to maintain the Common Areas, as provided for herein, and in regard thereto, the Association shall:

A. Have the right and power to contract with a maintenance and/or management company to carry out its obligations in regard to maintenance and/or management as set forth herein.

B. Have the right and power to assess each Member a "pro rata share" as set forth herein, of the Operating Expenses of the Association.

SECTION 5. Both regular and special assessments must be fixed at a uniform rate for all Lots.

A. Regular Assessment. The basis for determining the regular assessment will be the estimated cost of each item of service provided for the benefit of the Association, as reflected in the adopted budget, in accordance with the services to be provided as set forth herein.

1. Payment: Each Owner shall be assessed and shall pay on a monthly basis a pro rata share of the total amount of the assessment necessary to provide the services as set forth herein in addition to a pro rata assessment for taxes assessed against the Common Areas, the schedule for payment of which shall be set forth in the annual budget as provided herein.

2. Formula: In order to determine the pro rata share of the regular assessment payable by each Owner, the estimated Operating Expenses, as set forth in the annual budget, shall be divided by the total number of Lots subject to this Declaration as amended from time to time or the estimated or adjusted number of lots while development of the subdivision is ongoing. The result thereof shall constitute the individual Owner's liability for the regular assessment, subject to readjustment, as provided for hereinafter.

B. Special Assessments. The basis for determining a special assessment shall be the estimated cost of each item of construction, reconstruction, re-paving, major repair or replacement

including but not limited to any fixtures and/or personal property relating thereto, or other common expenses incurred or undertaken for the benefit of the Association.

1. Payment: Each Owner shall be assessed and shall pay a pro rata share of the total amount of the special assessment, the schedule for payment of which shall be set forth in the resolution authorizing such special assessment.

SECTION 6. Assessment of Developer. Notwithstanding anything to the contrary contained in this Declaration or the Articles or By-Laws of the Association, the Developer, as the Owner of any Lot or Lots upon which no Dwelling has been constructed, shall not be subject to regular assessments for Operating Expenses of the Association. In addition, the Developer shall not be subject to a special assessment as the Owner of any Lot for any item of construction, reconstruction, re-paving, major repair or replacement of any capital improvements without first having approved such special assessment in writing. The Developer may, but is not required to, make up shortfalls in the accounts of the Association from time to time.

SECTION 7. Taxes. It shall be the obligation of the Association commensurate with the ownership of the Common Areas to:

A. Pay all real estate taxes, assessments, personal property taxes and other governmental levies and charges of any kind which are assessed or imposed upon the Common Areas and improvements thereon or any part thereof that become due and payable during the term of ownership by the Association of the Common Areas.

B. Assess, as part of the regular assessment, against each Owner, a "pro rata share" of all real estate taxes, assessments, personal property taxes and other governmental levies and charges of any kind which are assessed or imposed upon the Common Areas and improvements thereon, or any part thereof that may become due and payable during the term of ownership of the Common Areas by the Association, such pro rata share to be secured from default by the personal obligation of each Owner, and a lien against each owner's Lot.

C. Such pro rata share shall be assessed as set forth in Article IV, Section 5 to each individual Owner.

SECTION 8. Date of Commencement of Regular Assessments: Due Dates. As additional Lots become subject to this Declaration, as provided herein, the regular assessments attributable thereto shall commence on the day of the recording of a deed to such lot, following the recording of the amendment submitting the Lots to the terms and conditions of this Declaration in the Public Records of Pasco County, Florida. The Association shall, upon demand and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the regular and special assessments levied against a specified Lot have been paid and further, the Association may delegate to and contract with a management company for collection of the regular and special assessments of the Association.

SECTION 9. Subordination of the Lien to Mortgages. The lien of the regular and special assessments provided for herein shall be subordinate to the lien of any Institutional First Mortgage encumbering a Lot. Should any such Mortgagee foreclose its mortgage against a Lot or obtain title to said Lot secured by such first mortgage by conveyance in lieu of foreclosure, said Mortgagee shall not be liable for any regular or special assessments made by the Association pertaining to such Lot or chargeable to the former Owner of such Lot which became due prior to acquisition of title by said Mortgagee as a result of the foreclosure or voluntary conveyance in lieu of foreclosure. Thereafter, any such Mortgagee or its successors or assigns shall pay its pro rata share of the regular and special assessments as provided for herein. The sale or transfer of any Lot pursuant or subsequent to a foreclosure or proceeding in lieu thereof shall not extinguish the personal obligation for payment of regular and special assessments of the Owner who was the owner of record on the date such regular or special assessments became due and payable.

SECTION 10. Effect of Non-Payment of Assessments: Remedies of the Association. Regular assessments shall be due and payable in advance upon the first day of each month of each year, or as otherwise designated by the Board of Directors or the Association, whether or not a bill for such has been sent to each Owner. Any regular or special assessment not paid within thirty (30) days after the due date thereof shall bear interest from the due date at the highest rate of interest allowed by law. The association may,

at its election, have and exercise any and all of the following remedies, to the extent permitted by law, which remedies are cumulative and are not in lieu of, but are in addition to, all other remedies available to the Association.

A. To charge interest on such assessment from the date it becomes due until paid at the highest rate allowed by law, as well as impose a late charge for each delinquent installment in an amount determined by the Board from time to time, to defray additional collection costs.

B. To accelerate the entire amount of any regular or special assessment for the remainder of the assessment year, notwithstanding any provisions for the payment thereof in installments.

C. To advance on behalf of any Owner in default, the funds required to accomplish the needs of the Association, up to and including the full amount for which such Owner is liable to the Association. The amount or amounts of monies so advanced, together with interest at the highest allowable rate, from the date advanced to the date paid to the Association, and all costs of collection thereof including, but not limited to, reasonable attorneys, fees, shall thereupon be a special assessment collectable from the defaulting Owner by the Association and shall be secured by a lien against the owner's property. Such advance by the Association shall not waive the default.

D. To file an action to foreclose its lien at any time after the effective date thereof. The lien may be foreclosed by an action in the name of the Association in like manner as a foreclosure of a mortgage on real property. In any foreclosure action, the Association shall be entitled to collect any rent coming due during the foreclosure, through a receiver or payment into the court registry.

E. To file an action to collect said assessments, plus interest at the highest rate allowed by law from the due date to the date paid, plus court costs and reasonable attorneys' fees, without waiving any lien rights or rights of foreclosure of the Association.

F. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Areas f or any reason whatsoever, or by abandonment of his Lot.

G. To suspend voting rights form members who are two months or more in arrears on regular assessments until such accounts are current.

SECTION 11. Budget. The Association shall assess its Members a sum sufficient to equal the annual budget adopted from year to year by the Association through its Board of Directors, and any maintenance or management company may, from time to time, be employed by the Association to prepare such annual budget, subject to adjustments made by special assessments or amendments to such budget.

SECTION 12. Capital Contribution. Upon the closing of the sale of each Lot subject to the terms and conditions of this Declaration as amended from time to time, from the Developer to a purchaser; the purchaser, as an owner and a Member of the Association, shall deposit with the Association a sum equal to two (2) monthly installments of the regular assessment. Such sums shall be deposited into the Association's working capital fund for the purpose of initial items, non-recurring items, initial maintenance, reserves, emergency needs, capital expenses permits, licenses, all utility deposits and advance insurance premiums. Such working capital fund may be commingled with any other Association funds and may be used for such purposes, including but not limited to those set forth in the preceding sentence, as the Board of Directors may determine to be necessary or desirable.

SECTION 13. Exempt Property. The Board of Directors of the Association shall have the right to exempt property subject to this Declaration from the regular and special assessments, charges and liens created herein if such property used, and for so long as it is used for any of the following purposes:

A. Any easement or other interest in such property dedicated to and accepted by a local public authority and devoted to public use.

B. All Common Areas, as defined herein, or other property owned *by* the Association.

C. All properties exempted from ad valorem taxation *by* the laws of the State of Florida.

DEVELOPMENT OF SUBDIVISION

[Article V, Sections 1 and 2 have been deleted]

~~SECTION 1. Developer Rights. Until the Developer shall have completed the development and sale of all Lots and Dwellings to be constructed within the property more particularly described in Exhibit "All attached hereto, Developer, its transferees, agents, employees, contractors and subcontractors shall have the following rights with regard to the Common Areas and all other property subject to the terms and conditions of this Declaration, as amended from time to time:~~

~~A. Use of the Common Areas. Use, occupy and demonstrate all portions of the Common Areas and the Lots owned by Developer for the purpose of promoting and aiding the sale or rental of Lots.~~

~~B. Promotion. Display and erect signs, billboards and placards and to store, keep, exhibit and distribute printed audio and visual promotional materials in and about the Common Areas and the Lots owned by the Developer.~~

~~C. Structures. Construct and maintain on any part or parts of the property described in Exhibit "All attached hereto owned or controlled by Developer, such structures as may be reasonably necessary for the completion of the construction, development and sale of Lots, the establishment of the residential community and the disposition of Lots by sale, lease or otherwise.~~

~~SECTION 2. Actions by Association. During any period in which the Developer holds any Lots for sale in the ordinary course of business, none of the following actions may be taken by the Association, either through its Board of Directors or the membership, without Developer's approval in writing:~~

~~A. Assessment of the Developer as a Lot Owner for capital improvements, or regular or special assessments;~~

~~B. Any action by the Association which would be detrimental to the sale of Lots by the Developer, including any amendment to the Declaration or Bylaws, provided, however, an increase in regular assessments without discrimination against the Developer shall not be deemed detrimental to the sale of Lots for the purposes of this Section.~~

~~As used in this Article, the words "Its transferees", specifically excludes purchaser of individual Lots.~~

ARTICLE VI
LOT MAINTENANCE AND EXTERIOR DWELLING MAINTENANCE

SECTION 1. Lot Maintenance. In addition to the maintenance of the Common Areas, the Association shall be responsible for the maintenance of the individual Lots within the Subdivision, including but not be limited to the following: (1) mowing; (2) edging; (3) fertilizing; (4) weeding; (5) maintenance of any fences on the Lots installed by the Developer; and (6) trimming shrubbery and other vegetation upon the Lots, provided that the landscaping or improvements have been installed by the Developer or the Association, or the Association has assumed responsibility in writing.

SECTION 2. Lot Maintenance Cost. The Costs of the services set forth in Section I hereinabove, for which the Association is responsible, shall be shared on a pro rata basis by all Owners of Lots on which a Dwelling has been constructed, and shall be a part of the regular assessment to which the Lots are subject pursuant to the provisions of Article IV hereinabove. In the event any extraordinary maintenance, repair or replacement is required as a result of the willful or negligent act of an owner or his family, lessees, agents, servants, guests, or invitees, the Owner of the Lot requiring such maintenance, repair or replacement shall be responsible for the cost of the same and the cost of such maintenance, repair or replacement shall be a special assessment against said Lot.

SECTION 3. Exterior Dwelling Maintenance. In addition to maintenance of the Common Areas and unenclosed portions of the individual Lots, the Association shall be responsible for the maintenance of the exterior of the Dwellings within the Subdivision. The exterior 'Dwelling maintenance to be performed by

the Association shall include but not be limited to the following: repainting, repairing, replacing and cleaning of roofs, gutters, and all exterior building surfaces, save and except for the cleaning, maintenance or repair of any glass **or screen** surfaces, including but not limited to windows and skylights, which shall be the responsibility of the individual Owners. Said exterior maintenance to be performed by the Association shall be performed as and when necessary in order to keep said Dwellings in good condition, normal wear and tear excepted.

SECTION 4. Exterior Dwelling Maintenance Cost. The cost of the services set forth in Section 3 hereinabove, for which the Association is responsible, shall be ~~shared on a pro rata basis by all Owners of Lots on which a Dwelling has been constructed, and shall be a part of the regular assessment to which the Lots are subject pursuant to the provisions of Article IV hereinabove.~~ **borne by the Association out of regular and special assessments.** In the event any extraordinary maintenance, repair or replacement is required as a result of the willful or negligent act of an Owner or his family, lessees, agents, servants, guests, or invitees, the Owner of the Lot requiring such maintenance, repair or replacement shall be responsible for the cost of the same and the cost of such maintenance, repair or replacement shall be a special assessment against such Lot.

SECTION 5. Unenclosed Portions of Individual Lots. The cost of repairing, resurfacing, or replacing walkways or driveways, provided they were installed by the developer, shall be the responsibility of the Association. Repairs resulting from the willful or intentional destructive acts on the part of the homeowner or resident shall be the responsibility of the owner of such lot.

SECTION 5.6. Easement for Maintenance and Ingress and Egress. In conjunction with the obligation to maintain the individual Lots and the exterior of the individual Dwellings and for the purpose of providing ingress and egress thereto, Developer hereby grants to the Association, its agents, or employees an easement for ingress, egress and regress in, over and upon the open portions of all Lots for the purpose of the maintenance specified in this Article VI.

ARTICLE VII USE RESTRICTIONS

SECTION 1. The Subdivision shall be occupied and used only as follows.

A. Residential Use. The Lots, and each and every one thereof, shall be used only for single family residential purposes; no building or structure intended for or adapted to business purposes, and no apartment house, lodging house, rooming house,

such premises, or on any part thereof . No improvement or structure whatever, other than a first class private dwelling house, fences installed by the Developer or otherwise approved in writing as provided for herein, and attached garage may be erected, placed, or maintained on any lot;

B. Occupancy. No private dwelling house erected upon any lot shall be occupied in any manner while in the course of construction, nor at any time prior to its being fully completed and made to comply with the approved plans, the reservations, and restriction herein set forth. All construction shall be completed within six months from the start thereof, provided, that the Association may extend such time when in its discretion conditions warrant such extension. No temporary outbuilding, trailer home, or other temporary structure shall be placed or erected upon any Lot unless approved by the Association.

C. Businesses. No business of any kind which is obnoxious or offensive or disturbing to other residents, peaceful enjoyment of their property shall be conducted within the Subdivision. However, nothing contained herein shall be construed as prohibiting the Developer and its transferees from developing all of the Lots as provided herein;

D. Nuisances. No Lot shall be used in whole or in part of the storage of rubbish of any character whatsoever, nor for the storage of any property or thing that will cause such Lot to appear in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing, or material be kept upon any Lot that will emit foul or obnoxious odors, or that will cause any noise that will or might disturb the peace, quiet, comfort, or serenity of the occupants of surrounding property. ***Defecation by a pet on any lot or common area is to be picked up and wrapped or bagged by owner of pet and sanitarly disposed of in owner's garbage can.***

E. Increase in Risks. Nothing shall be done or kept on a Lot or Dwelling or on or about the Common Areas which would increase the rate of insurance relating thereto without the prior written consent of the Association and no Owner shall permit anything to be done or kept on this Lot or Dwelling or on the Common Areas which would result in the cancellation of insurance on any Dwelling or any part of the Common Areas or which would be in violation of any law;

F. Letter and Delivery Boxes. The Association shall determine the location, color, size, design, lettering, and all other particulars of all mail or paper delivery boxes, and standards and brackets and name signs for such boxes in order that the area be strictly uniform in appearance with respect thereto;

G. Signs. No billboards or advertising signs of any character shall be erected, placed, permitted, or maintained on any Lot or improvement thereon except as herein expressly permitted. A name and address sign, the design of which shall be furnished to the Lot Owner on request by the Association, shall be permitted. No other sign of any kind or design shall be allowed. The provisions of this paragraph may be waived by the Developer, only when in his discretion the same is necessary to promote the sale of property in and the development of the subdivision. Nothing herein shall be construed to prevent the Developer from erecting, placing, or maintaining sign structures and offices as may be deemed necessary by him for the operation of the subdivision;

H. Utility Lines and Radio and Television Antennas. All electrical service and telephone lines shall be placed underground and no outside electrical lines shall be placed overhead, ~~but this restriction may be waived by Developer.~~ No exposed or exterior radio or television transmission or receiving antennas shall be erected, placed, or maintained on any part of such premises. **Owners have the right to install TV Dish Antennas at their residences according to the Telecommunications Act of 1996. TV Dish antennas by FCC regulations may not exceed 39" in diameter. The Association may place reasonable restrictions on the installation, use and maintenance of the TV Dish Antenna. Plans and specifications indicating size and placement must be submitted to the Architectural Control Committee prior to installation.** Any waiver or these restrictions shall not constitute a waiver as to other Lots or lines or antennas;

I. Tanks, etc No elevated tanks of any kind shall be erected, placed, or permitted on any part of such premises, provided, that nothing herein shall prevent the Developer, its successors and assigns, from erecting, placing, or permitting the placing of tanks and other water system apparatus on such premises for the use of the water company serving such premises. Any tanks for use in connection with any residence constructed on such premises, including tanks for the storage of fuels, must be buried .or walled sufficiently to conceal them from the view from neighboring lots, road, or streets. All clotheslines, garbage cans, equipment, coolers, wood piles, or storage piles shall be walled in to conceal them from the view from neighboring lots, roads, or streets. Plans for all enclosures of this nature must be approved in writing by the Association prior to construction;

J. Animals. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot or on the Common Areas; however, dogs, cats and other customarily kept house pets may be kept on Lots and in Dwellings subject to such rules and regulations as may be adopted by the Board of Directors so long as they are not kept, bred or maintained for commercial or business purposes. Dogs and Cats are subject to the laws and ordinances of the State of Florida and Pasco County. Dogs **and cats** must be on leash when outdoors;

K. Other Structures. No outbuilding, basement, tent, shack, garage, shed, trailer or temporary structure of any kind shall be permitted upon any Lot or upon any of the Common Areas within the subdivision either temporarily or permanently;

L. Mining. No oil drilling or development operations or refining, quarrying or mining operations of any kind shall be permitted upon any Lot or upon Common Areas, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any Lot. No derrick or other structure designed for use in boring for oil or natural gas or minerals shall be erected, maintained or permitted on any Lot or Common Area;

M. Violations. If the parties hereto, or their heirs or assigns, shall violate or attempt to violate any of the covenants herein, it shall be lawful for any other person or persons owning any lot situated in said subdivision to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate the same, and the prevailing party in any such proceedings will be entitled to recover attorneys' fees and costs;

N. Wells. No individual well shall be permitted on any Lot within this subdivision- No septic tank or cesspools will be permitted on any Lot within this subdivision. The requirements of this paragraph will be enforced so long as the water and sewer systems presently operating within the subdivision are operating satisfactorily to all governmental entities having jurisdiction, and are available for use;

O. Alteration of Common Areas. Nothing shall be altered in, constructed on or removed from the Common Areas, or on the exterior portions of the Lots, except with the prior written consent of the Association;

P. Rules and Regulations - The Board of Directors shall have the right from, time to time to promulgate such additional rules and regulations as shall be necessary to provide for the health, welfare and safety of the owners residing in the said subdivision and to prevent such nuisances as shall arise from time to time as relates to the use of the Lots and the Common Areas, as set forth in the bylaws of the Association, so long as such rules and regulations are not contrary to the provisions contained herein.

ARTICLE VIII
ARCHITECTURAL CONTROL

SECTION 1. In order to preserve the value and appearance of the property subject to the terms and conditions of this Declaration as amended from time to time, no improvements or structure of any kind, including, without limitation, any building, wall, fence or screen enclosure, shall be erected, placed or maintained on any portion of said property; no landscaping or planting shall be commenced or maintained upon any portion of said property; and no addition, alteration, modification or change to any such improvement, structure, landscaping or planting shall be made without the prior written approval of the Architectural Control Committee, which approval shall not be unreasonably withheld, excluding only buildings and other structures and improvements constructed, installed or placed by or with the approval of the Developer; landscaping and plantings by or with the approval of the Developer and additions, alterations, modifications and changes to any of the foregoing by or with approval of the Developer (collectively "Developer Improvements"), which Developer Improvements are not subject to the approval of the Architectural Control Committee.

SECTION 2. In order to obtain the approval of the Architectural Control Committee, two (2) complete sets of plans and specifications for the proposed construction and landscaping shall be submitted to the Architectural Control Committee for its review. Such plans and specifications shall include as appropriate, the proposed location, grade, elevations, shape, dimensions, exterior color plans, approximate costs, and nature, type and color of materials to be used. The Architectural Control Committee may also require the submission of additional information and materials as may be reasonably necessary for it to evaluate the proposed

construction, landscaping or alteration. The Architectural Control Committee shall evaluate all plans and specifications utilizing standards of the highest level as to the aesthetics, materials and workmanship and as to suitability and harmony of location, structures and external design in relation to surrounding topography, structures and landscaping. The Architectural Control Committee shall not be responsible for reviewing, nor shall its approval of any plans and specifications be deemed approval of, any plan or design from the standpoint of structural safety or conformance with building codes or other governmental regulations.

SECTION 3. The Architectural Control Committee shall have the right to refuse to approve any proposed plans or specifications which, it reasonably determines, are not suitable or desirable. Any and all approvals or disapprovals of the Architectural Control Committee shall be in writing and shall be sent to the Board of Directors of the Association and the respective Lot Owner. In the event the Architectural Control Committee fails to approve or disapprove in writing any proposed plans and specifications within thirty (30) days after submission to the Architectural Control Committee of such plans and specifications and any and all other reasonably requested information and materials related thereto, then said plans and specifications shall be deemed to have been approved by the Architectural Control Committee and the appropriate written approval shall be delivered to the Owner forthwith.

SECTION 4. The Architectural Control Committee shall consist of such three (3) persons as the Developer, in its sole discretion, shall appoint until such time as the Developer no longer owns any Lot subject to the terms and conditions of this Declaration as amended from time to time, or is no longer selling or developing the property in the ordinary course of business. Thereafter, the Architectural Control Committee shall consist of three (3) Members of the Association who shall be elected by a majority of the Board of Directors, or the Developer may choose at any time to involve a combination of other members and developer representatives on the Committee.

SECTION 5. The Architectural Control Committee shall promulgate such further rules and regulations as it deems necessary and shall adopt a schedule of reasonable fees for the processing of applications to the Architectural Control Committee. After

turnover of control of the Committee to the homeowners, the Board of Directors may decide to hear appeals from the decision of the Committee by any aggrieved Owner.

SECTION 6. Damage and Destruction of Residences; Approval of Structural Variances. Any Owner who has suffered damage to his Dwelling by reason of fire or any other casualty may apply to the Architectural Control Committee to reconstruct, rebuild or repair his Dwelling in a manner which will provide for an exterior appearance and design. different from that which existed prior to the date of the casualty. Application for any such approval shall be made in writing by the Owner, together with full and complete plan , specifications, working drawings and elevations showing the proposed reconstruction and the end result thereof prepared by an architect certified to do business in the State of Florida. The Architectural Control Committee shall grant approval only if the design proposed by the Owner shall result in a finished Dwelling of exterior design harmonious with the other Dwellings or Lots subject to the terms and conditions of this Declaration as amended from time to time-

ARTICLE IX
OWNERS' OBLIGATION TO REPAIR

Each Owner shall, at his sole cost and expense, repair the interior of his Dwelling, keeping the same in good condition, excepting only normal wear and tear, and especially as this relates to any portion of the construction that may require exterior maintenance by the Association if the Owner fails to properly maintain the Dwelling. ***Any homeowner of a unit who cannot produce proof of two (2) termite inspections in the prior 24 month period will be responsible for any damages caused by termites to any part of the building in which their unit is located. If owners of more than 1 unit in a building are unable to produce evidence of the required termite inspections, such owners will share in the cost of repairing damages caused by termites within any part of the building within which their units are located.***

ARTICLE X
OWNERS' OBLIGATION TO REBUILD

If all or any portion of a dwelling is damaged or destroyed by fire or other casualty, it shall be the duty of the Owner thereof, with all due diligence, to rebuild, repair or reconstruct such Dwelling in a manner which will substantially restore it to its appearance and its condition immediately prior to the casualty. Notwithstanding anything to the contrary contained herein, it shall be the obligation of the Owner of each Lot to obtain casualty,

liability and flood insurance, as applicable, covering the Lot and all improvements constructed thereon, and to provide the Association with proof of insurance and comply with such other rules relating to insurance as are adopted by the Board.

ARTICLE XI
PARKING RESTRICTIONS

SECTION 1. Vehicles. No commercial vehicles; other objectionable vehicles that may be defined in rules adopted by the Board; for-hire vehicles; construction, farm, or like equipment; ambulances; buses; vans other than conversion vans; trucks; trailers; semi-trailers; truck-tractor and semi-trailer combinations; mobile homes; recreational vehicles, including, but not limited to travel trailers, camping trailers, truck campers, and motor homes; or off road vehicles except golf carts shall be permitted on any Lot or on the Common Areas. Any golf carts must be kept in the garage or otherwise concealed from view.

SECTION 2. Parking. No Owner shall repair or restore any permitted vehicle on any Lot or on the Common Areas, except for emergency repairs, and then only to the extent necessary to enable movement thereof to a proper repair facility. Minor maintenance of a private passenger vehicle shall be allowed in the Owner's garage provided such vehicle does not remain inoperable for more than forty-eight (48) hours. No Owner shall park a vehicle in such a manner that the vehicle obstructs or interferes with access to any garage. No vehicle shall be parked on the road; every permitted vehicle shall be parked either in the garage or on the driveway.

SECTION 3. Maintenance and Use of Garages. Each Owner covenants for himself, and his heirs, successors and assigns as follows:

(1) That the garage of which the Owner has exclusive use, by virtue of ownership thereof or an exclusive easement to use the same (hereinafter referred to as the "Garage") shall be used solely for the parking of an operable vehicle and for the storage of household items;

(2) The Garage shall not be used, or items kept therein, so as to interfere with the use thereof of the parking of an automobile or so as to constitute a nuisance, or otherwise so as to constitute a health or safety or other hazard, to, or interfere with, the ownership, use, possession or enjoyment of the structure of which it is a part or of the adjoining residences;

(3) The Garage shall be maintained in a clean and orderly condition and without limitation, no exposed or uncontained junk, trash, garbage, or other refuse shall be kept in the garage, and no rags, paint, chemicals, gasoline, bottled gas or other flammable, explosive, corrosive or poisonous substances shall be stored therein, or any item whatsoever which might cause an increase in risk under, or insurance covering the Garage, the structure of which it is a part, or the adjoining residences;

(4) Without limitation, no mechanical work shall be performed on any vehicle, and no machines, tools or equipment shall be used, or other activity performed, 'in the Garage which might create obnoxious or explosive fumes, cause noise, or otherwise disturb, or jeopardize the safety or, any persons occupying the structure of which the Garage is a part, and no automobile or other engines shall be operated therein except to move a vehicle in or out thereof; and

(5) No use shall be made of the Garage which shall conflict with the rules and regulations in respect thereof which shall be promulgated from time to time by the Association.

Each garage occupant further covenants for himself, and his heirs, successors and assigns that he will, at his sole expense maintain in good, safe, and sound condition and repair all doors and doorways leading into the garage (including jambs, frames, trim and hardware), all interior surfaces of the walls, ceiling and floor of the garage, and all light fixtures, automatic garage door openers, electrical outlets, and other fixtures serving the garage.

SECTION 4. Garages. No garage or other outbuilding shall be placed, erected, or maintained upon any part of such premises except for use in connection with a residence already constructed or under construction at the time that such garage or other outbuilding is placed or erected upon the property. Nothing herein shall be construed to prevent the incorporation and construction of a garage as a part of such dwelling house.

ARTICLE XII
PARTY WALLS

SECTION 1. General Rules of Law to Apply. Each wall or extension thereof which is built as part of the original construction within the contiguous Dwellings and placed on the dividing line between the Dwellings shall constitute a party wall, and to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omission shall apply thereto.

SECTION 2. Sharing Maintenance and Repair. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use.

SECTION 3. Destruction By Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and the other Owners using the wall shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Owner(s) to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

SECTION 4- Weatherproofing. Notwithstanding any other provision of this Article, an Owner, who, by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

SECTION 5. Right to Contribution to Run with the Land. The right of any Owner to contribution from any other Owner, under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

SECTION 6. Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each party shall choose one arbitrator, and such arbitrators shall choose one additional arbitrator, and a binding decision shall be made by a majority of all the arbitrators, in accordance with rules agreed upon by the parties or the arbitrators.

ARTICLE XIII
COMMON ROOF

SECTION 1. General Rules of Law to Apply. Each roof built as a part of the original construction as a part of the contiguous Dwellings shall constitute a common roof as to the Dwellings using said roof and to the extent not inconsistent with the provisions of this Article, the general rules of law regarding common roofs and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

SECTION 2. Sharing Maintenance and Repair. The cost of reasonable repair and maintenance of a common roof shall be ~~shared by the Owners who make use of the roof in proportion to such use.~~ **borne by the Association.**

SECTION 3. Destruction by Fire or Other Casualty. If a common roof is destroyed or damaged by fire or other casualty, any Owner who makes use of the roof shall contribute to the cost of restoration thereof in proportion to such use without prejudice, subject, however, to the right of any such Owner to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

SECTION 4. Weatherproofing. Notwithstanding any other provision of this Article, an Owner, who by his negligent or willful act causes a common roof or Dwelling making use thereof to be exposed to the elements, shall bear the whole cost of furnishing the necessary protection against such elements.

SECTION 5. Right to Contribution to Run with the Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

SECTION 6. Arbitration. In the event of any dispute arising concerning a common roof, or under the provisions of this Article, each party shall choose one arbitrator, and such arbitrators shall choose one additional arbitrator, and a binding decision shall be made by a majority of all the arbitrators in accordance with rules agreed upon by the parties or the arbitrators.

ARTICLE XIV
CONDEMNATION

SECTION 1. Proceedings. The Association shall represent the Owners in any condemnation proceedings or in negotiations, settlements and agreements with any condemning authority for the acquisition of the Common Areas or any part thereof. All Owners hereby irrevocably appoint the Association as their agent to represent them in such matters, provided, however, that this appointment shall not prevent any Owner from intervening in or appearing as an interested party in any condemnation proceedings.

SECTION 2. Awards or Proceeds. In the event of the taking or acquisition of all or a part of the Common Areas by a condemning authority, the condemnation awards or proceeds of settlement shall be payable to the Association, for the use and benefit of the Owners and their mortgagees, as their interests may appear, subject to direction by any Court having jurisdiction over the condemnation.

ARTICLE XV
RECONSTRUCTION OR REPAIR AFTER CASUALTY

SECTION 1. Insurance Proceeds. In the event loss or damage occurs to improvements or any portion of the Common Areas or the improvements thereon, payment under any and all insurance policies shall be made to the Board of Directors of the Association, as Escrow Agent, and the proceeds shall be expended or disbursed as follows:

A. In the event the insurance proceeds are sufficient to rebuild and reconstruct all the damaged improvements within the Common Areas, the improvements shall be completely repaired and restored.

B. In the event the insurance proceeds are not sufficient to repair and replace all of the improvements within the Common Areas, a meeting of the membership of the Association shall be held to determine whether a uniform special assessment shall be levied against each Lot and the Owners thereof to obtain the necessary funds to repair and restore all of the improvements within the Common Areas.

(1) If a majority of the Owners voting at such meeting vote in favor of a special assessment, the Association shall immediately levy and collect such assessment. The funds necessary to meet any deductible amount under an insurance policy against which a claim is made shall be included as a part of such special assessment.

(2) In the event a majority of the Owners are opposed to the special assessment, the insurance proceeds shall be used to repair and reconstruct as many and such of the improvements on the Common Areas that the Board of Directors of the Association, in its sole and absolute discretion, shall determine, provided, however, that in any event all Lots and the Owners shall be subject to a uniform special assessment in the amount necessary to meet any deductible under an insurance policy against which a claim is made, and that the insurance proceeds shall be used first to reconstruct and repair any and all damage to roads constructed within the Common Areas.

C. If there is a balance remaining of the insurance proceeds after payment of the costs of reconstruction and repair of the improvements located within the Common Areas, such balance shall not be disbursed to the Members.

D. Nothing contained herein shall be interpreted or construed to prevent creation of and contributions to reserve accounts for repair and replacement of any or all improvements located within the Common Areas, nor to prohibit the use of the funds in such accounts for repair or replacement in the event insurance proceeds are insufficient to cover the cost thereof.

E. Under all circumstances, the Board of Directors of the Association shall have the sole authority to act as the agent of all Owners for the purpose of compromising or settling insurance claims for loss or damage to the improvements located within the

Common Areas, subject only to the approval of any mortgagee of the premises damaged where the security for such mortgage may be adversely affected.

SECTION 2. Repair or Reconstruction.

A. Immediately after a determination is made to reconstruct or repair damage to improvements located within the Common Areas, the Board of Directors shall obtain detailed estimates of the reconstruction or repair from one or more reliable licensed contractors.

B. in the event the Association shall enter into a construction agreement with a contractor, who shall be required to post a performance bond, the Board of Directors of the Association, as Escrow Agent, shall disburse the insurance proceeds and other funds collected pursuant to this Article XV in accordance with the construction agreement.

C. Any reconstruction or repair must be substantially in accordance with the plans and specifications for the original improvements, subject to appropriate governmental approvals and permitting requirements, or if not, then according to plans and specifications approved by a majority of the Members of the Association, which approval by the Members shall not be unreasonably withheld.

ARTICLE XVI
ANNEXATION

SECTION 1. The Developer hereby expressly reserves the right to subject other real property described on Exhibit "All to this Declaration and the covenants, conditions, restrictions, easements, reservations, assessments, terms and provisions set forth herein, in order to extend the scheme of this Declaration to other real property to be developed as additional phases of LAKE HERON, and thereby to bring such real property within the jurisdiction of the Association. Anything else in this Declaration, the Articles of Incorporation or Bylaws of the Association to the contrary notwithstanding, Developer shall not be obligated to add real property to LAKE HERON, but the Developer shall have the right to add real property to LAKE HERON as herein provided. The additions

herein authorized shall be made by filing of record one or more amendments to this Declaration and which shall extend the jurisdiction of the Association and the undivided interest in all Common Areas to the Owners of Lots in the additional property, and thereby subject the Lots in such additions to Common Area easements and assessments for their just share of the Association expenses. Any and all such additional Common Areas added shall become the responsibility of the Association and assessments for maintenance of same shall apply to all Lots and other Residential Property, unless otherwise expressly provided.

SECTION 2. In the event other real property is submitted to the terms and conditions of this Declaration, such submission shall be evidenced by an amendment to this Declaration recorded in the Public Records in Pasco County, Florida. In the event any real property is conveyed to the Association, such conveyance shall be evidenced by a Quit Claim Deed from the Developer.

SECTION 3. This Declaration shall not constitute a cloud or encumbrance upon the title to any real property until such before described amendments to the Declaration and quit claim deeds are recorded in the Public Records of Pasco County, Florida.

SECTION 4. Nothing contained in this Declaration shall be construed as obligating the Developer to submit any portion or Declaration or to convey additional Common Areas to the Association.

ARTICLE XVII GENERAL PROVISIONS

SECTION 1. Enforcement. The Association, Developer and any Owner shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association, the Developer, or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. The prevailing party in any such litigation or arbitration shall be entitled to all costs thereof, including, but not limited to, reasonable attorney's fees. Any Institutional Mortgagee requesting the same shall be entitled to written

notification from the Association of any default by the Owner of the mortgaged Lot or Dwelling in the performance of such Owner's obligations under this Declaration which is not cured within thirty (30) days.

SECTION 2. Severability. Invalidation of anyone of these covenants or restrictions by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect.

SECTION 3. Duration. The covenants and restrictions of this Declaration shall run with and bind the land for an initial term of thirty (30) years from the date that the original Declaration was recorded in the Public Records of Pasco County, Florida. These covenants shall automatically be renewed for additional periods of thirty (30) years each, and the Association shall record a notice to this effect prior to the expiration of the first thirty (30) years, unless a written instrument signed by the Owners and mortgagees of sixty seven percent (67%) of all Lots subject to this Declaration, as amended from time to time, is executed and recorded, providing for termination of these covenants. In the event that there are any Common Areas at the termination of this Declaration and/or the Association, then such Common Areas shall be owned by the Owners as tenants in common in undivided shares-

SECTION 4. Caption, Readings and Titles. Article and Section captions, headings and titles inserted throughout this Declaration are intended as a matter of convenience only and in no way shall such captions, headings or titles define, limit, or in any way affect the subject matter or any of the terms and provisions of this Declaration.

SECTION 5. Amendments.

A. Subject to the limitations set forth hereinafter, this Declaration may be amended by an instrument signed by sixty-seven percent (67%) or more of all the Owners, or by a vote of sixty-seven percent (67%) or more of the Members voting at a regular or special meeting.

B. Notwithstanding the foregoing, or any provisions to the contrary herein or any provisions to the contrary in the Articles of Incorporation or Bylaws of the Association, no amendment shall

be made to this Declaration or the Articles of Incorporation or Bylaws which would adversely affect the lien rights of any Institutional First Mortgagee or change the voting rights of any Association Member without the written joinder and consent of such Mortgagee or Member.

C. Amendments for correction of scrivener's error or other changes needed to promote the sale or financing of the property described on Exhibit "All may be made by Developer without the need for consent of any Owner or Mortgagee.

D. Notwithstanding anything to the contrary contained herein, no amendment to this Declaration may be made without the written joinder and consent of the Developer while the Developer is still involved in the sale and development of the property described an Exhibit "All in the ordinary course of business.

E. Notwithstanding anything to the contrary contained herein, no amendment to this Declaration may be made without HUD/VA approval as long as there is a Class B membership, if HUD or VA approval is sought by the Developer.

F. Any amendment to this Declaration must be recorded among the Public Records of Pasco County, Florida. A true copy of any amendment to this Declaration shall be sent certified mail by the Association to Developer and to all Institutional First Mortgagees requesting notice thereof.

SECTION 6. Lenders' Notices.

Upon written request to the Association, identifying the name and address of the holder, insurer, or guarantor and the Dwelling number and address, any mortgage holder, insurer, or guarantor shall be entitled to timely written notice of:

A. Any condemnation or casualty loss that affects either a material portion of the Dwelling or the Lot securing its mortgage.

B. Any delinquency exceeding 60 days in the payment of assessments or charges owed by the Owner of any Lot or Dwelling securing its mortgage.

C. A lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association.

D. Any proposed action that requires the consent of a specified percentage of mortgage holders.

SECTION 7. FHA/VA Approval. Notwithstanding any other provision of this Declaration, as long as there is Class B membership and if FHA or VA approval is sought, the following actions require approval of FRA or VA: Annexation of Additional Properties, Dedication of Common Area, or Amendment of this Declaration.