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GRAND PARK NORTH

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**DECLARATION OF COVENANTS, CONDITIONS,
AND RESTRICTIONS FOR GRAND PARK NORTH**

THIS DECLARATION, made on the date hereinafter set forth, by Rainbow Springs Limited, a Florida limited partnership, hereinafter referred to as "Declarant".

WITNESSETH:

WHEREAS: Declarant owns the property described herein and more particularly on Exhibit A attached hereto (hereinafter the "Property") and made a part hereof, and intends to develop the Property as one of the residential neighborhoods in The Village of Rainbow Springs, a community of various types of residential living units. The purpose of this declaration is to provide various use and maintenance requirements and restrictions in the best interest of the future owners of Residential Units within the Property and to protect and preserve the values of the Property and to enhance the social and recreational opportunities for its members by including such membership rights and privileges at the Club (as shall be hereinafter defined) as an appurtenant amenity. This declaration will also establish an association which will own, operate and maintain various portions of the Property and improvements constructed within the Property including, but not limited to roads, entry ways, signage, irrigation systems and all of the surface water management system and related facilities including easements, retention areas, culverts and related appurtenances for the Property. It will have the right to enforce the provisions of this declaration, and will be given various other rights and responsibilities including the levying and collecting of assessments and Amenity Maintenance Fee.

NOW, THEREFORE, Declarant hereby declares that the Property, shall be held, sold, conveyed, leased, mortgaged, and otherwise dealt with subject to the easements, covenants, conditions, restrictions, reservations, liens and charges set forth herein, all of which are created in the best interest of the owners and residents of the Property, and which shall run with the Property and shall be binding upon all persons having or acquiring any right, title or interest in the 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 Property, or any portion thereof.

**ARTICLE I
DEFINITIONS**

(a) "Assessments" shall mean and refer to the various forms of payment to the Association which are required to be made by the Owner of a Lot, as more particularly defined in Article V of this Declaration, which if not paid by an Owner, may result in a lien against the Lot. Assessments shall also include those sums due and payable to other owners of facilities or service providers serving the Property as authorized herein.

(b) "Articles" shall mean and refer to the Articles of Incorporation Grand Park North Community Association, Inc., as amended from time to time.

(c) "Amenity Maintenance Fee" shall mean and refer to a sum or sums of money payable to the Declarant, its successors and assigns, as the owner of the Club as set forth in Article V, Section 5.16 of this Declaration which if not paid by the Owner of a Lot, may result in a lien against the Lot. The Amenity Maintenance Fee may be increased at the sole discretion of the Declarant, its successors and assigns.

(d) "Association" shall mean and refer to Grand Park North Community Association, Inc., a Florida corporation not for profit responsible for the operation of the Property in which the voting membership is made up of Residential Unit Owners and in which membership is a mandatory condition of residential ownership and which Association is authorized to impose assessments that, if unpaid, may become a lien on the Residential Unit.

(e) "Board" or "Board of Directors" shall mean and refer to the duly constituted Board of Directors of the Association elected in the manner set forth in this Declaration, Articles and By-Laws of the Association.

(f) "By-Laws" or "By-Laws of the Association" shall mean and refer to those By-Laws for Grand Park North Community Association, Inc., which govern the administration and operation of the Association, as they may be amended from time to time.

(g) "Club" shall mean and refer to Rainbow Springs Golf and Country Club, a semi-private, non equity golf and country club facility owned and operated by the Declarant where Club members may participate in the sports of golf, tennis and other activities. The Club Amenities (as hereinafter defined) and facilities of the Club are for the private use, entertainment and enjoyment of Club members and their guests except as set forth herein. The golf course, country club, Club Amenities and facilities do not and shall not constitute a part of the Common Areas or facilities of the Property or the Village of Rainbow Springs community. Membership in the Club does not confer upon its members any ownership or proprietary interest in the Declarant, the Club or its facilities, nor does it confer voting rights of any kind in the business and affairs of the Declarant or the Club management. The privileges and obligations of the members of the Club are set forth in the Club's rules and regulations. Membership in the Club does not automatically entitle members to use and enjoy any other recreational facilities that may be located at the Property or the Village of Rainbow Springs community. The ownership of a Lot does not confer upon an Owner any interest in or right to use the golf course, country club or its facilities now or hereafter constructed or operated by the Declarant or any other party. Membership in the Association does not confer upon its Members any vested right or easement, prescriptive or otherwise, to use or to continue to use the golf course, country club and its facilities at this or any time, except as to the Club Amenities, unless application for membership is made and accepted by the Club.

(h) "Club Amenities" shall mean and refer to the pool, cabana, shuffleboard, tennis courts, driving range, card rooms, ceramic rooms, exercise room, physical fitness equipment, meeting room and library located at the Club which are available to Owners at the Property subject to the payment of the Amenity Maintenance Fee and in accordance with the rules and regulations governing the use of Club Amenities.

(i) "Common Areas" shall mean and refer to all real and personal property within the Property which are owned or leased by the Association or dedicated for use or maintenance by the Association or its members, excluding Lots, including, regardless of whether title has been conveyed to the Association: (a) real property the use of which is dedicated to the Association or its members by a recorded plat; or (b) real property committed by this Declaration to be leased or conveyed to the Association. As used herein, Common Areas shall include, but not be limited to, (i) all improvements to the aforesaid land (other than those owned or maintained by a public or private utility company)

including, without limitation, roadways and signage located thereon or adjacent thereto, entry features, swales and beams, structures, street lights, pedestrian paths and irrigation systems; and (ii) special grading, landscaping, lighting or other improvements of common benefit to the Property, located near, but not within, the land constituting the Common Areas. Furthermore, "Common Areas" shall mean and refer to the surface water management system and all drainage ways now or hereafter located in the Property.

THE DESIGNATION OF ANY OF THE PROPERTY OR IMPROVEMENTS THEREON AS COMMON AREAS SHALL NOT MEAN OR IMPLY THAT THE PUBLIC AT LARGE ACQUIRES ANY EASEMENT OF USE OR ENJOYMENT THEREIN.

(j) "Controlling Interest" shall mean and refer to the ownership by Declarant at any time of ten percent (10%) or more of the total number of Lots or Residential Units permitted by applicable zoning, from time to time existing, to be developed on the Property.

(k) "Declarant" shall mean Rainbow Springs Limited, the entity that created the community to be served by the Association or that person or entity that succeeds to the rights and liabilities of Rainbow Springs Limited, provided that such succession is evidenced in writing and recorded in the Public Records of Marion County, Florida.

(l) "Declaration" shall mean and refer to this Declaration of Covenants, Conditions and Restrictions for Grand Park North as it may be amended from time to time, which is the recorded written instrument of covenants running with the land which subject the land comprising the Property to the jurisdiction and control of the Association in which the Owners of Lots or Residential Units must be Members.

(m) "Design Advisory Board" or "DAB" shall mean and refer to the committee of the Association responsible for performing the architectural review and approval functions set forth in Article VII of this Declaration.

(n) "Golf Membership" or "Golf Member" shall mean and refer to a specific membership in the Club which entitles the member to participate in the sport of golf at the Club and/or at Rainbow's End Golf and Country Club, a 9-hole golf course and clubhouse located on SW 73rd St. Rd., in addition to the right to use and enjoy the Club Amenities and facilities at the Club. The privileges and obligations of a Golf Membership are set forth in the Club's rules and regulations.

(o) "Governing Documents" shall mean: (a) this recorded Declaration and all duly adopted and recorded amendments, supplements, and recorded exhibits thereto; and (b) the Articles and By-Laws of the Association, and any duly adopted amendments thereto.

(p) "Living Space" shall mean and refer to enclosed, covered heated and air-conditioned areas within a Residential Unit, exclusive of garages, carports, porches, terraces, balconies, decks, patios, courtyards, lanais and greenhouses.

(q) "Lot" shall mean and refer to any plot of land shown on any recorded subdivision plat of the Property which has been designated by the Declarant to contain a Residential Unit. The word Lot shall also include the Residential Unit located thereon when one has been constructed on the Lot.

(r) "Member" shall mean and refer to every Owner including the Declarant, as long as Declarant owns all or any part of the Property which is subject to this Declaration. Membership shall be appurtenant to and shall not be separated from ownership of a Lot.

(s) "Member's Permitted" shall mean and refer to those persons described in this Declaration to

whom certain privileges hereunder are afforded.

(t) "Owner" shall mean and refer to every person or persons, or entity or entities, who, individually or collectively, if more than one, are the record Owners of the fee simple title to any Lot in the Property.

(u) "Property" shall mean and refer to all the land, and improvements thereon, described in Exhibit "A" and submitted to the provisions of this Declaration as they are described by lot and block as shown on the plat of record.

(v) "Residential Unit" shall mean and refer to any completed (as evidenced by a certificate of occupancy) dwelling unit constructed on a Lot which is intended for use and occupancy as a single family home. The term shall refer to the Lot which is part of the Residential Unit as well as all improvements thereon.

(w) "Surface Water Management System Facilities" shall mean and refer to all land, easements and other facilities and appurtenances which together constitute and comprise the master surface water management and drainage system with respect to the Property as reflected on the plans therefor approved by Marion County, Florida and the Southwest Florida Water Management District (SWFWMD) permit (as same may be modified and amended for recorded amendments, supplements, and recorded exhibits thereto; and (b) the Articles and By-Laws of the Association, and any duly adopted amendments thereto from time to time). Drainage improvements have been or will be conveyed by the Declarant to the Association as Common Areas by a separate instrument or dedicated by the plat of the Property.

(x) "Voting Interest" shall mean the voting rights distributed to the Members of the Association pursuant to the Governing Documents.

ARTICLE II

COMMON AREAS; CERTAIN EASEMENTS;

MAINTENANCE BY ASSOCIATION

Section 2.1 Ownership. The Common Areas are hereby dedicated to the joint and several nonexclusive use of the Declarant and the Owners, in the manner specified in this Declaration, and all of the Declarant's and such Owners' respective permitted lessees, guests and invitees, all as provided and regulated in this Declaration or otherwise by the Association (subject to applicable exemptions therefrom in favor of the Declarant).

When ninety (90%) percent of the Residential Units proposed by the Declarant to be constructed within the Property have been completed and conveyed to the Owners other than the Declarant, or sooner at the Declarant's option exercisable from time to time as to any portion or all of the Common Areas, the Declarant, shall convey and transfer, (or cause to be conveyed and transferred) the record fee simple title to the Common Areas to the Association, and the Association shall accept such conveyance, holding title for the Owners and Members as stated in the preceding sentence. The aforesaid conveyance(s) may be made by quit-claim or other type of deed and may be subject to real estate taxes, zoning and similar conditions, existing easements, matters of survey and other matters, but shall not be subject to liens.

Beginning upon the date this Declaration is recorded, the Association shall be responsible for the maintenance of all Common Areas (whether or not conveyed or to be conveyed to the Association), including, but not limited to, the Surface Water Management System Facilities and drainage-ways in a satisfactory manner (without cost to the general taxpayers of Marion County). It is intended that all real estate taxes assessed against that portion of the Common Areas shall be (or have been, based upon the purchase prices of the Lots already having taken into account their proportionate shares of values of the Common Areas) proportionally assessed against and payable as part of the taxes of the Lots within the Property. However, in the event that, notwithstanding the foregoing, any such taxes are assessed directly against the Common Areas, the Association shall be responsible for the payment (subject to protest or appeal before or after payment) of the same, including taxes on any improvements and any personal property thereon accruing from and after the date this Declaration is recorded, and such taxes shall be prorated between the Declarant (or the then Declarant thereof) and the Association as of the date of such recordation.

The Declarant shall have the right from time to time to enter upon the Common Areas and other portions of the Property for the purposes of, including, but not limited to, the installation, construction, reconstruction, repair, replacement, operation, expansion and/or alteration of any improvements or facilities on the Common Areas, including, but not limited to, the Surface Water Management System Facilities and drainageways, that the Declarant, as appropriate, elects to effect. The Declarant shall have the right without limitation, to use the Common Areas for sales, customer parking, displays and signs during the period of construction and sale of any of the land owned by the Declarant within the Property. All of the foregoing shall apply notwithstanding the fact that the Association holds title to the applicable Common Areas as of any relevant time.

Section 2.2 Easements. Each Member of the Association, each Member's Permittee, and the guests of the Members and Member's Permittees (subject to the limitation and regulation of such guests by the Association) shall have a permanent and perpetual non-exclusive easement for the use and enjoyment of all Common Areas in common with all other such Members and Member's Permittees, their tenants, agents and invitees.

All rights of use and enjoyment are subject to the following:

- (a) The right and duty of the Association to levy assessments against each Lot for the purpose of maintaining the Common Areas and facilities in compliance with the provisions of this Declaration and with the restrictions on the plats or portions of the Property from time to time recorded.
- (b) The right of the Association to suspend the right of an Owner (other than Declarant) and his Member's Permittee to use the Common Areas (except for legal access to and from the Owner's Lot) and common facilities for any period during which any applicable assessment remains unpaid; and for a period not to exceed sixty (60) days for any infraction of the rules and regulations of the Association.
- (c) The right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated on the Common Areas.
- (d) The right of the Association to adopt at any time and from time to time and enforce rules and regulations governing the use of the Common Areas and all facilities at any time situated thereon, including the right to fine Members as provided

herein at Article VI. Any rule and/or regulation so adopted by the Association shall apply until rescinded or modified as if originally set forth at length in this Declaration.

(e) Anything to the contrary in this Declaration notwithstanding, and without limiting the generality of Article X, Section 10.10 thereof, the Declarant shall have the right to permit persons other than Members (including, without limitation, prospective purchasers of Lots) to use the Common Areas and any recreational facilities that may be constructed thereon under such terms as the Declarant, its successors and assigns, may from time to time desire, all without interference from the Association, any Member or Owner.

(f) The right of the Declarant and the Association to have grant and use general ("blanket") and specific easements, permits and licenses, over, under and through the Common Areas.

Section 2.3 Easements Appurtenant. The easements provided in Section 2.2 shall be appurtenant to and shall pass with the title to each Lot.

Section 2.4 Maintenance of Common Areas. The Association shall at all times maintain in good repair, operate, manage and insure and shall replace as often as reasonably necessary to keep same in good working order (where applicable), the Common Areas, any and all improvements situated on the Common Areas (upon completion of construction by the Declarant, if applicable), including, landscaping and appurtenances, sidewalks, and structures, if any, except public and private utilities (to the extent same have not been made Common Areas), all such work to be done as ordered by the Board of Directors of the Association. Without limiting the generality of the foregoing, the Association shall assume all of Declarant's responsibilities to Marion County and SWFWMD with respect to the Common Areas, including, but not limited to, the Surface Water Management System Facilities and drainage-ways and shall indemnify, defend and hold the Declarant harmless with respect thereto.

The Association shall immediately commence the performance of the aforesaid duties as to the aforesaid areas (i) upon the recordation of this Declaration; and (ii) upon the recordation of a Supplemental Declaration declaring the applicable areas to be Common Areas, as to any such areas to be maintained by the Association in the future.

No Owner may waive or otherwise escape liability for the Assessments for such maintenance by non-use (either voluntary or involuntary) of the Common Areas or abandonment of his right to use the Common Areas.

Section 2.5 Common Area Irrigation System. Declarant may, but shall not be obligated to, install a common irrigation system to irrigate Common Areas and if specified in a Supplemental Declaration, may install a common irrigation system to irrigate the lawns and landscaping of Residential Units located at the Property or portions thereof. Upon the installation of any portion of a system, it will be deemed part of the Common Areas to be operated, maintained, repaired and replaced by the Association. No Owner shall alter or damage any portion of the irrigation system or otherwise interfere with the use of the irrigation system. Expenses incurred for the general operation of the common irrigation system shall be allocated as part of the General Assessment of the Association. As is the case with other types of Assessments, the Association may base allocation upon a formula and need not separately account for each and every expense incurred for that purpose.

Section 2.6 Utility Easements: Irrigation Lines. Public utilities installed in the Common Areas for the service of the Property shall be installed underground whenever practical. The Declarant and its designees shall have a perpetual easement over, upon and under the Common Areas and the unimproved portions of the Lots for purposes including but not limited to, the installation, operation, maintenance, repair, replacement, alteration and extension of such utility and other systems as the Declarant may deem appropriate to have located within the Property.

Notwithstanding anything contained in this Declaration or on any applicable recorded plat to the contrary, no utility or other entity to which an easement over any portion of the Property is granted (herein or by plat or otherwise) shall have the right to assign such easement, or grant any easement or use rights, to or over its respective easement area without Declarant's prior written consent, which Declarant may withhold in its sole discretion.

Any holder or user of an easement over any portion of the Property shall be responsible to all other parties who/which have the right to use all or any portion of the area of such easement for any damage occurring to the property of such other parties caused by the holder or user's use of the easement area and such holder or user shall also be liable to the Declarant and the Association for any disruptions in the services provided by such other parties caused by the holder or user's use of the easement area.

Section 2.7 Declarant May Contract for Services. The Declarant may contract with public or private utility companies, including without limitation a private utility company with which Declarant is affiliated or controls, for purposes of supplying utility services to the Property and the costs and expenses charged by such utility companies shall be separately billed to the Owner of a Residential Unit by such utility companies and shall not be included in the General Assessment. All charges levied for utilities providing services for the Common Areas and for the irrigation system serving the Common Areas, whether they are supplied by a private or public firm, shall be considered operating expenses of the Association and included in the General Assessment.

The Declarant may also contract for other services benefiting the Owners, including, but not limited to, garbage, trash and other solid waste removal services for the Property and the costs and expenses charged by such company(s) shall be separately billed to the Owner of a Residential Unit by such company(s) and shall not be included in the General Assessment. All costs and expenses incurred in regard to providing such services for the Common Areas shall be considered operating expenses of the Association and included in the General Assessment.

Section 2.8 Public Easements. Fire, police, health and sanitation and other public service personnel and vehicles shall have a permanent and perpetual easement for ingress and egress over and across the Common Areas and unimproved portions of the lots for the performance of their respective duties.

Section 2.9 Construction Activities. No construction activities may be conducted relative to any portion of the Surface Water Management System Facilities without prior authorization by Southwest Florida Water Management District (SWFWMD). Prohibited activities include, but are not limited to: digging or excavation; depositing fill, debris or any other material or item; constructing or altering any water control structure; or any other construction to modify the Surface Water Management System Facilities.

The Southwest Florida Water Management District (SWFWMD) has the right to take enforcement measures, including a civil action for injunction and/or penalties, against the association to compel

it to correct any outstanding problems with the Surface Water Management System Facilities.

If the association ceases to exist, all of the lot owners, parcel owners or unit owners shall be jointly and severally responsible for the operation and maintenance of the Surface Water Management System Facilities in accordance with the requirements of the Environmental Resource Permit, unless and until an alternate entity assumes responsibility.

ARTICLE III

ASSOCIATION

Section 3.1 In order to provide for the efficient and effective administration of this Declaration, the Association has been organized by the Declarant under the laws of the State of Florida and said Association shall implement and carry out its obligations under this Declaration with respect to the Property.

Section 3.2 Articles. A copy of the Articles of Incorporation of the Association is attached hereto as Exhibit B.

Section 3.3 By-laws. A copy of the By-laws of the Association is attached hereto as Exhibit C.

Section 3.4 Restraint Upon Assignment of Membership. Membership in the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to the transfer of title of a Lot.

Section 3.5 Applicability of Articles and By-Laws. By acceptance of a deed to any Lot, each Owner agrees to be bound by the terms and conditions of the Articles of the Association, its By-Laws and the requirements of this Declaration.

By acceptance of a deed to a Lot, each Owner acknowledges and agrees that every director and officer of the Association and any committee member appointed by the Association, shall be indemnified by the Association against all expenses and liability, including attorneys fees, incurred by or imposed upon such person in connection with any proceeding to which it may be a party or in which it may become involved by reason of such person being or having been a director, officer or committee member of the Association, whether or not it is a director, officer or committee member of the Association at the time such expenses are incurred, except in such cases where the director, officer or committee member of the Association seeking such reimbursement or indemnification, the indemnification herein shall apply so long as the Board of Directors, in approving any settlement or reimbursement, acted in good faith. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such officer, director or committee member of the Association may be entitled.

ARTICLE IV

MEMBERSHIP AND VOTING RIGHTS

Section 4.1 Membership. Every Owner of a Lot, including the Declarant, as long as Declarant owns all or any part of the Property, shall be a Member of the Association.

Section 4.2 Voting Rights. The Association shall have the classes of membership provided for in the Articles. Notwithstanding any provision to the contrary, the Declarant shall have the right to elect one Member of the Board of Directors until such time as Declarant no longer holds title to five (5) percent of the Property. When Members other than the Declarant own more than 15% of the Lots contained in the Property, they shall have the right to elect one Member to the Board of Directors. Members other than the Declarant are entitled to elect at least a majority of the members of the Board when the earlier of the following events occurs:

- (a) Three months after ninety (90%) percent of the Lots in the Property have been conveyed to Members (other than the Declarant); or
- (b) Such other date or event has occurred as is set forth in the Governing Documents in order to comply with the requirements of any governmentally chartered entity with regard to the mortgage financing of lots.

Section 4.3 Directors. The election of Directors, and the size of the Board of Directors, shall proceed in the stages as described in the Articles of the Association.

Section 4.4 General Matters. Any decision of the Association that requires a vote of the Members must be made by the concurrence of at least a majority of the Voting Interests present, in person or by proxy, at a properly called and conducted meeting at which a quorum has been attained.

ARTICLE V

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 5.1 Creation of the Lien and Personal Obligation for Assessments. As used herein, Assessments shall include:

- (a) General or Annual Assessments - which shall be those Assessments regularly levied by the Association against all Lots within the Property for the purpose of paying the costs and expenses of operating the Association and operating, administering and maintaining the Common Areas, including, but not limited to, the Surface Water Management System and Common Irrigation Systems and other areas to be maintained by the Association as described herein; compensation paid by the Association to managers, accountants, attorneys and other employees; the costs of any and all commonly metered utilities consumed in the operation of the Common Irrigation Systems; the cost of other services benefiting the Common Areas; payment of obligations under contracts binding on the Association; and costs of any other item or items so designated by, or in accordance with other expenses incurred by the Association for any reason whatsoever in connection with the Common Areas and/or for the benefit of the Owners.

The General Assessment shall also include a maintenance fee levied by the Club for the maintenance of Club Amenities as described in Section 5.15 of this Article.

- (b) Capital Improvement Assessments - which shall mean those Assessments levied for the purposes described in, and subject to, Section 5.3 of this Article.
- (c) Special Assessments - which shall mean Assessments levied for a specific

purpose(s) which is of a non-recurring nature.

(d) Personal Assessments - which shall be a charge against one or more Owners and their Lot, directly attributable to such Owner(s), equal to the cost incurred by the Declarant in connection with the enforcement of this Declaration against such Owner(s) and/or such Owner(s) or Owner's guest or family member or tenant's failure to duly perform its obligations hereunder and as provided in Section 5.12 of this Article. Personal Assessments shall be collected and enforced in the manner set forth in Article VI of this Declaration.

Each Owner of a Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed or other conveyance, shall be deemed to covenant and agree to pay to the Association General Assessments for the maintenance, operation, management and insurance of the Common Areas and the Association as provided herein, including such reasonable reserves as the Association may deem necessary, and Capital Improvement, Special and Personal Assessments as also provided herein. All such Assessments to be fixed, established and collected from time to time as hereinafter provided. All Assessments, together with late charges, including attorney's fees, interest and costs of collection thereof as hereinafter provided shall be a charge on each Lot and shall be a continuing lien upon the property against which each such Assessment is made. Each such Assessment, together with late charges, interest, attorney's fees and costs of collection thereof as hereinafter provided, shall also be the personal obligation of all Owner(s) of such property from time to time. The Association may suspend the voting rights of an Owner for the nonpayment of General Assessments that are delinquent in excess of ninety (90) days.

Section 5.2 Purpose of Assessments. The Assessments levied by the Association shall be used for, but not limited to, maintenance, operation, management and insurance of the Common Areas and for the maintenance and repair of the exteriors of those Lots described in Article II of this Declaration, to promote the welfare and recreational opportunities of the Members of the Association and their Member's Permittee, to pay such other obligations of the Association (including, without limitation, charges for electricity for street lights serving the Common Areas or the Property generally and for irrigation systems serving the Common Areas and to pay such other obligations of the Association as may be imposed hereby or otherwise become binding upon the Association and for such other purposes as are provided for in this Declaration.

Section 5.3 Capital Improvements. Funds in excess of 20% of the then-current annual budget of the Association, in any one case, which are necessary for the addition or replacement of capital improvements (as distinguished from repairs and maintenance) relating to the Common Areas and which have not previously been collected as reserves or are otherwise available to the Association may be levied as Capital Improvement Assessments by the Association upon approval by a majority of the Board of Directors of the Association and by the concurrence of at least a majority of the Voting Interests present, in person or by proxy, at a meeting at which a quorum has been attained as provided by the By-Laws of the Association. It is the intent of this Section that any capital improvements having a cost of less than the aforesaid amount be paid for by General Assessments, with an appropriate adjustment to the budget of the Association and the assessments levied thereunder to be made, if necessary, or a special Assessment to be levied pursuant to Section 5.11 of this Article. In determining whether the aforesaid vote is required, the costs of maintaining the capital improvement in questions shall not be included.

Section 5.4 Date of Commencement of General or Annual Assessments: Due Date. The General Assessments provided for herein shall commence upon the conveyance of ownership to an Owner (other than to the Declarant or any of its affiliates) of the first Lot subject to these covenants,

conditions and restrictions and shall be applicable through December 31 of such year. Each subsequent General Assessment shall be imposed for the year beginning January 1 and ending December 31.

The General Assessment shall be payable in advance in monthly installments, or in semiannual or quarter-annual installments if so determined by the Board. The General Assessment amount (and applicable installments) may be changed at any time by said Board from the originally stipulated or from any other General Assessment that is adopted in the future. The original General Assessment for any year shall be levied for the calendar year (to be reconsidered and amended, if necessary, every six (6) months), but the amount of any revised General Assessment to be levied during any period shorter than a full calendar year shall be in proportion to the number of months (or other appropriate installments) remaining in such calendar year.

The due date of any Special Assessment or Capital Improvement or Personal Assessment shall be fixed in the Board's resolution authorizing such Assessment.

Section 5.5 Duties of the Board of Directors. The Board of Directors of the Association shall fix the date of commencement and the amount of the General Assessment against each Lot for each Assessment period, to the extent practicable, at least thirty (30) days in advance of such year, and shall, at that time, prepare a roster of the Lots, the Owners thereof, the identity of Owners having Golf Memberships in the Club and General Assessments applicable thereto, which shall be kept in the office of the Association and shall be open to inspection by any Owner during regular business hours.

Written notice of the applicable Assessment shall be sent to every Owner thirty (30) days prior to the date the first payment at the then-established Assessment is due. In the event notice of changes in the Assessment for a new period is not given, the Assessment amount previously payable shall continue until charged in the manner provided for herein.

The Association shall upon demand at any time furnish to any Owner liable for any type of Assessment a certificate in writing signed by an officer of the Association setting forth whether such Assessment has been paid as to any particular Lot. Such certificate shall be conclusive evidence of payment of such Assessment to the Association.

The Association shall have all powers provided in its Articles and By-Laws and those afforded a non-profit corporation under Florida law.

The Association may establish and maintain an adequate reserve fund for the periodic maintenance, repair and replacement of all improvements to the Common Areas, said reserves to be funded from the General Assessments.

Section 5.6 Notice and Quorum. Written notice of any meeting called for the purpose of levying the General Assessment or Special Assessment shall be sent to all Members not less than seven (7) days in advance of the meeting. At the first such meeting called, the percentage of Voting Interests required to constitute a quorum shall be 25% of the total Voting Interests. If the required quorum is not present, another meeting shall be called by the Board and the required quorum at the subsequent meeting shall be one-half (2) of the required quorum at the preceding meeting, such subsequent meeting shall be held within thirty (30) days of the preceding meeting with such notice given as may be prescribed by the Board.

Section 5.7 Rates of Assessment and Effect on Declarant. Both General and Special Assessments must be fixed at a uniform rate.

Notwithstanding any provision that may be contained to the contrary in this Declaration, for so long as the Declarant is the owner of a Lot in the Property, the Declarant shall have the option, in its sole discretion to:

(a) Pay for each Lot that it owns that portion of the operating expenses of the Association which is the difference between the amount to be paid by Owners (other than the Declarant) pursuant to the adopted budget of the Association. The amount of the deficit paid by the Declarant will not include or require the funding of reserves by the Declarant; or

(b) Pay the Assessment(s) attributable to each Lot owned by the Declarant.

The Declarant may from time to time change the option stated above under which the Declarant is making payments to the Association by written notice to such effect to the Association. The determination by the Declarant to select either (a) or (b) above shall fulfill Declarant's obligations to the Association. When all Lots within the Property are sold and conveyed to owners other than the Declarant, the Declarant shall have no further liability of any kind to the Association for the payment of Assessments or deficits. In no event shall the Declarant ever be obligated to pay a Personal Assessment.

Section 5.8 Effect of Non-Payment of Assessments: Remedies of the Association. If an Assessment is not paid on the date when due (being the date specified by the Board from time to time) then, such Assessment shall be deemed delinquent and shall, together with late charges, interest and the cost of collection thereof as hereinafter provided, be a lien on the appropriate Lot, which shall bind the then Owner, his heirs, personal representatives, successors and assigns. Except as provided in Section 5.9 of this Article, the personal obligation of the then Owner to pay such Assessment shall pass to his successors in interest and recourse may be had against either both, or the current Owner of the Lot.

If any Assessment is not paid within fifteen (15) days after its due date, at the option of the Association, a late charge may be imposed on the unpaid Assessment and if such Assessment is not paid thereafter, it and the late charge shall accrue interest from the dates when due until paid at the highest interest rate permitted by law. The Association may bring an action at law against the Owner(s) obligated to pay the same or may record a claim of lien (as evidence of its lien rights as herein above provided for) against the property on which the Assessment and late charges are unpaid, may foreclose the lien against the property on which the Assessments and late charges are unpaid, or pursue one or more of such remedies at the same time or successively. Attorney's fees and costs of preparing and filing the claim of lien and the complaint (if any) in such actions, and in prosecuting same, shall be added to the amount of such Assessments, interest and late charges. In the event a judgment is obtained, such judgment shall include all such sums as above provided and attorney's fees actually incurred in the applicable action together with the costs of the action. The Association shall be entitled to costs and attorney's fees in connection with any appeal of any such action.

In addition to the rights of collection of Assessments stated in this Section, any and all persons acquiring the title to a Lot as to which the Assessment is delinquent, including, without limitation, persons acquiring title by operation of law and by judicial sale, shall not be entitled to the enjoyment of the Club Amenities or the Common Areas until such time as all unpaid and delinquent Assessments due and owing have been fully paid, and no sale or other disposition of Lots shall be

permitted until an estoppel letter is received from the Association acknowledging payment in full of all Assessments and other sums due; provided, however, that the provisions of this sentence shall not be applicable to the mortgagees [and purchasers] contemplated by Section 5.9 of this Article.

It shall be the legal duty and responsibility of the Association to enforce payment of the Assessments hereunder. Failure of the Association to send or deliver bills or notices of Assessments shall not, however, relieve the Owners from their obligations hereunder.

All Assessments, late charges, interest, penalties, fines, attorney's fees and other sums provided for herein shall accrue to the benefit of the Association.

Each Owner shall be obligated to deliver the documents originally received from the Declarant, containing this and other declarations and documents, to any grantee of such Owner.

The Association shall have such other remedies for collection and enforcement of Assessments as may be permitted by applicable law. All remedies are intended to be, and shall be, cumulative.

Section 5.9 Subordination of the lien. The lien for the Assessments provided for in this Article shall be subordinate to real property tax liens and to the lien of any first mortgage recorded prior to recordation of a claim of lien, which mortgage encumbers any Lot and is in favor of any bona fide lender generally recognized as an institutional lender and is now or hereafter placed upon a portion of the Property subject to Assessment; provided, however, that any such mortgagee when in possession or any receiver, and in the event of a foreclosure, any purchaser at a foreclosure sale, and any such mortgagee acquiring a deed in lieu of foreclosure, and all persons claiming by, through or under any such purchaser or such mortgagee, shall hold title subject to the liability and lien of any Assessment coming due after such foreclosure (or conveyance in lieu of foreclosure).

Section 5.10 Association Funds. The portions of all General Assessments collected by the Association for reserves for future expenses, if any, and the entire amount of all Special Assessments, if any, shall be held in trust by the Association and shall be deposited in a separate, interest bearing accounts or in accounts available at banks or savings and loan institutions, the deposits of which are insured by an agency of the United States, until the need arises for the use of such funds.

Section 5.11 Special Assessments. In the event that, by the concurrence of at least a majority of the Voting Interests present, in person or by proxy, at a meeting at which a quorum has been attained as provided by the By-Laws of the Association, the Association determines that it is necessary for it to obtain funds for a specific purpose(s) which is of a non-recurring nature, for which no reserve funds have been collected or allocated, and which is not the appropriate subject of a Capital Improvement Assessment, then the Board of Directors may levy a Special Assessment for such purpose. Such Special Assessment may, in the discretion of the Board of Directors, be payable in one lump sum or in appropriate installments; provided, however, that (i) the Board of Directors shall use reasonable efforts to fund an expense for which a Special Assessment would otherwise be levied by changing the Association's budget and, therefore, the General Assessments and (ii) the requirements set forth above as to the approval by the Members of Capital Improvement Assessments shall also apply to Special Assessments.

Section 5.12 Personal Assessments. Owners (on their behalf and on behalf of their Member's Permittee) causing damage to any portion of the Common Areas as a result of misuse, negligence, failure to maintain or otherwise shall be directly liable to the Association and a Personal Assessment may be levied therefor against such Owner or Owners. Such Personal Assessments shall be subject

to all of the provisions hereof relating to other Assessments, including, but not limited to, lien and foreclosure procedures.

Section 5.13 Assessments for Remedial Work. In the event that the Association performs any remedial work pursuant to Article VII, Section .12 hereof, it may levy Assessments for the costs of such work, together with an administrative charge of not more than fifteen (15%) percent of the total amount of such costs, against any Owner for whom such remedial work is performed. Such Assessment shall be payable within ten (10) days after notice of such Assessment is given to the Owner of the applicable Lot.

Section 5.14 Amenity Maintenance Fee. Every Owner of a Lot shall pay a monthly Amenity Maintenance Fee to the Club which maintenance fee shall be included in the General Assessment collected by the Association. The Club is providing amenities for the use and enjoyment of each Owner, and the maintenance fee is paid to the Club in support of construction and maintenance of the facilities provided. The Amenity Maintenance fee includes use of the Club Amenities as defined in Article I hereof.

If an Owner is a Golf Member or Social Member of the Club, such Owner shall be excused from paying the Amenity Maintenance Fee for so long as the Golf Membership or Social Membership exists. It shall be the obligation of the Owner to notify the Association of the Golf Membership or Social Membership in the Club prior to the adoption of the annual budget by the Association which shall be done annually. Upon termination of the Golf Membership or Social Membership by an Owner, such Owner shall commence paying the Amenity Maintenance Fee beginning the month after termination of the Golf Membership or Social Membership.

Section 5.15 Collection of Fees for Other Services. The Association is empowered to act as a collection agent for charges which are common to all Owners, including, without limitation, the Amenity Maintenance Fee. Such fees shall be remitted to the Association by the Owners, together with the General Assessment, and then paid by the Association to the appropriate service provider. Such payments, however, shall continue to be the responsibility of the Owners and the Association shall not be liable to the service provider for the payment of same.

Section 5.16 Exempt Property. Notwithstanding anything to the contrary herein, the following property shall be exempt from the payment of Assessments:

- a. all Common Areas;
- b. all property dedicated to and accepted by any governmental authority or publicly licensed utility.

ARTICLE VI ENFORCEMENT OF DECLARATION AND RULES AND REGULATIONS

Section 6.1 Compliance by Owners. Every Owner and Member's Permittee shall comply with the covenants and restrictions of this Declaration and any and all rules and regulations adopted by the Association as contemplated herein.

Section 6.2 Enforcement. Failure to comply with such covenants, restrictions, rules or regulations shall be grounds for immediate action which may include, without limitation, an action to

recover sums due for damages, injunctive relief or any combination thereof. The Association shall also have the right to suspend rights of use of the Common Areas and Club Amenities as specified herein. In addition, the Club may also suspend the rights and privileges set forth herein for violation of its rules and regulations. However, any such suspension shall not terminate the Member's obligation to pay the Amenity Maintenance Fee.

Section 6.3 Fines. In addition to all other remedies, in the sole discretion of the Board of Directors of the Association, a fine or fines may be imposed upon an Owner for failure of an Owner or his Member's permittee to comply herewith or with any adopted rule or regulation, provided the following procedures are adhered to:

(a) Notice: The Association shall notify the Owner (or the person sought to be fined) of the infraction or infractions. Included in the notice shall be the date and time of a special meeting of the Board of Directors at which time the Owner may present reasons why penalties should not be imposed. At least fourteen (14) days' notice of such meeting shall be given.

(b) Hearing: The non-compliance shall be presented before a committee of at least three members appointed by the Board who are not officers, directors, or employees of the Association, or the spouse, parent, child, brother, or sister of an officer, director or employee. If the committee, by majority vote, does not approve a proposed fine, it may not be imposed.

(c) Amounts of Fines: The Board of Directors (if the committee's findings are made against the Owner or his Member's Permittee) may impose a fine against the Owner (or the person sought to be fined) in an amount not to exceed \$100 per violation or as permitted by Section 720.305, Florida Statutes. However, a fine may be levied on the basis of each day of a continuing violation, with a single notice and opportunity for hearing, provided that no such fine shall in the aggregate exceed \$1,000.00.

(d) Payment of Fines: Fines shall be paid not later than five (5) days after notice of the imposition or assessment of the penalties.

(e) Collection of Fines: Fines shall be treated as a Personal Assessment subject to the provisions for the collection of assessments as set forth herein.

(f) Application of Fines: All monies received from fines shall be allocated as directed by the Board of Directors.

(g.) Non-exclusive Remedy: These fines shall not be construed to be exclusive, and shall exist in addition to all other rights and remedies to which the Association may be otherwise legally entitled; however, any fine paid by the offending Owner shall be deducted from or offset against damages which the Association may otherwise be entitled to recover by law from such Owner.

Section 6.4 Applicability to Declarant. The provisions of this Article VI shall not be applicable to the Declarant.

ARTICLE VII

ARCHITECTURAL CONTROL

All property which is subject to this Declaration is subject to architectural control and review. This shall be in accordance with this Article and such standards as may be promulgated by the Board of

Directors or committee established by the Board. The Board of Directors shall have the authority and standing, on behalf of the Association, to enforce in courts of competent jurisdiction decisions of the committee established in Section 7.1 this Article VII.

Section 7.1 Creation of Design Advisory Board. The Board of Directors of the Association shall appoint a committee to be known as the Design Advisory Board. Such committee shall consist of up to three (3) Members who shall serve at the discretion of the Board. The Board may, in its discretion, designate one or more Board members to serve on the Design Advisory Board ("DAB").

Section 7.2 Alterations, Additions and Improvements. No exterior alteration or modification of existing improvements, and no plantings or removal of plants, trees, or shrubs shall take place except in strict compliance with this Article. No Owner shall make any structural alteration, or shall undertake any exterior repainting or exterior repair or addition to its Residential Unit which could in any way alter the exterior or appearance of the Residential Unit, without the prior written approval of the DAB. The DAB shall grant its approval only in the event the proposed work will benefit and enhance the Property in a manner generally consistent with the plan of development thereof.

Section 7.3 Miscellaneous Additions and Alterations. No exterior building, fence, wall or other structure shall be erected or maintained on any Lot or Residential Unit without the consent and approval of the DAB.

Section 7.4 Approval of DAB: How Evidenced. Whenever approval of the DAB is required, the request for approval shall be in writing and the DAB shall have the right to request such information as it may deem necessary in order to evaluate the request. Such requests for information shall be in writing. The DAB shall render a decision within the later of (i) thirty (30) days after the receipt of the initial request; or (ii) within thirty (30) days after the additional information is received. Should the DAB fail to act within the time frame(s) required herein, then the request for approval shall be deemed approved as if given in writing.

Section 7.5 Approval of DAB. The DAB shall have the right to refuse or disapprove any plans and specifications which are not suitable or desirable or consistent with the surrounding areas. In approving or disapproving such plans and specifications, the DAB shall consider the suitability of the proposed improvement, and the construction materials to be used, the site upon which such improvements are proposed to be erected, the harmony thereof with the surrounding area, and the effect thereof on adjacent or neighboring property, but shall not be responsible for reviewing, nor shall its approval of any plan or design be deemed approval of, or warranty as to, any plan or design from the standpoint of structural safety or conformance with building or other codes. The decision of the DAB may be appealed to the Board of Directors pursuant to rules governing such appeals adopted by the Board of Directors.

Section 7.6 No Waiver of Future Approvals. The approval of DAB of any proposals or plans and specifications or drawings for any work done or proposed, or in connection with any other matter requiring the approval and consent of such committee, shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings, or matter whatever subsequently or additionally submitted for approval and consent.

Section 7.7 Compliance. Any contractor, subcontractor, agent, employee or other invitee of any Owner who fails to comply with the terms and provisions of this Article and any guidelines and procedures promulgated by the DAB may be excluded by the Board from the Property without liability to any person, subject to the notice and hearing procedures contained herein and in the By-Laws of the Association.

Section 7.8 Compensation of Members. The members of the DAB shall receive no compensation services rendered, other than reimbursement for reasonable expenses incurred by them in performance of their duties hereunder.

Section 7.9 Non-Liability of Committee Members. Neither the Association, the Board of Directors, the committee nor any member thereof, nor any duly authorized representative of any of the foregoing, shall be liable to any Owner or any other person or entity for any loss, damage, or injury arising out of or in any way connected with the performance or non-performance of the DAB's duties hereunder.

Section 7.10 Right to Inspect. There is specifically reserved unto the DAB the right of entry and inspection upon any Lot and Residential Unit for the purpose of determination by the DAB whether there exists any construction or any improvements which violate the terms of any approval by the DAB or the terms of this Declaration or of any other covenants, conditions and restrictions referenced herein. The Right of Entry is subject to the consent of the owner which shall not be unreasonably withheld. The DAB is specifically empowered to enforce the provisions of this Declaration by any legal or equitable remedy. In the event it becomes necessary to resort to litigation to determine the propriety of any constructed improvement, or to remove any unapproved improvements, the prevailing party shall be entitled to recovery of all court costs, expenses, reasonable attorney's fees in connection therewith and the same shall be assessable and collectible in the same manner as any assessment provided for herein. The Association shall indemnify and hold harmless the DAB and each member thereof from all costs, expenses, and liabilities, including attorney's fees, incurred by virtue of any service by a member of the DAB as a member of the DAB.

Section 7.11 Exemptions. The Declarant, as long as it owns all or any portion of the Property, shall be exempt from the provisions of this Article with respect to construction, alterations, landscaping, signs and additions installed by or on its behalf and shall not be obligated to obtain DAB approval for any construction or changes which it may elect to make at any time.

Section 7.12 Remedial Work. Each Owner shall be responsible for maintaining the Residential Unit, its lawn and landscaping in a neat, clean and well-maintained fashion - all so as to be consistent with the overall good appearance of the Property. In the event that an Owner fails to perform such duty (whether vacant or occupied) and such failure continues for more than twenty (20) days after written notice to such effect from the Association to the Owner, the Association, its designated committee or its authorized agents shall have the right (but not the obligation) to enter onto the Lot and have the grass, wood, trees, and other vegetation cut, debris removed, when, and as often as, the same is necessary in its judgment, and may have trees, shrubs and any other plants removed therefrom. Such Owner shall be personally liable to the Association for the cost of any cutting, removing of debris, clearing and maintenance described above, and the liability for amounts expended for such cutting, clearing and maintenance shall be a permanent charge and lien upon such Lot, enforceable by the Association by any appropriate proceeding at law or in equity. All costs incurred by the Association on behalf of such Owner shall be reasonable. Although notice given as herein above provided shall be sufficient to give the Association, its designated committee, or its agent, the right to enter upon any such Lot and perform the remedial work required, entry for the purpose of performing such remedial work shall be only between the hours of 7:00 a.m. and 6:00 p.m.

ARTICLE VIII

RESALE, LEASE AND OCCUPANCY RESTRICTIONS

ARTICLE VIII

RESALE, LEASE AND OCCUPANCY RESTRICTIONS

Section 8.1 Estoppel Certificate. No Owner may sell or convey his interest in a Lot unless all sums due the Association shall be paid in full and an estoppel certificate in recordable form to such effect shall have been received by the Owner. If all such sums shall have been paid, the Association shall deliver such certificate within ten (10) days of a written request therefor.

Section 8.2 Leases. No portion of a Residential Unit (other than an entire Residence) may be rented. There shall be no subleasing of Residential Units or assignment of leases unless notice is provided to the Board of Directors. All leases shall be in writing. The Owner shall make available to the lessee copies of this Declaration, By-Laws, and the Rules and Regulations of the Association. All leases of Residential Units shall be automatically deemed to include a covenant on the part of the tenant to comply with, and be fully bound by, the provisions of this Declaration and the Rules and Regulations of the Association. Every Owner shall be responsible for all violations and losses to the Common Areas caused by such occupants, notwithstanding the fact that such occupants of a Residential Unit are fully liable and may be sanctioned for any violation of this Declaration, By-Laws and Rules and Regulations adopted pursuant thereto.

Section 8.3 Members' Permittee. No Residential Unit shall be occupied by any person other than the Owner(s) thereof and the applicable Members' Permittee. In no event shall a Residential Unit be used for any purpose other than as a single family residence. For purposes of this Declaration, "Members' Permittee" shall be the following persons and such persons' families, provided that the Owner or other permitted occupant must reside with his/her family in order for the members of such family to be "Members' Permittee": (i) an individual Owner(s), (ii) an officer, director, stockholder or employee of a corporate owner, (iii) a partner in or employee of a partnership owner, (iv) a fiduciary or beneficiary of an ownership in trust, or (v) occupants named or described in a lease or sublease (provided that no lease or sublease may permit occupancy in violation of this Declaration). The Board of Directors shall have the power to authorize occupancy of a Residential Unit by persons in addition to those set forth above. The provisions of this Section shall not be applicable to Residential Units used by Declarant or its designees for any purpose.

As used herein, "family" or words of similar import shall be deemed to include a spouse, children, parents, brothers, sisters, grandchildren, and other persons permanently cohabiting the Residential Unit as, or together with, the Owner or permitted occupant thereof, even if such other cohabiting persons are a separate family (e.g. a separate husband and wife couple) in the general sense of the word, from the Owner or permitted occupant.

As used herein, "guests" or other words of similar import shall include only those persons who have a principal residence other than the Owner. Unless otherwise determined by the Board of Directors of the Association, a person(s) occupying a Residential Unit for more than three (3) months shall not be deemed a guest but, rather, shall be deemed a lessee for the purposes of this Declaration (regardless of whether a lease exists or rent is paid) and shall be subject to the provisions of this Declaration which apply to leases and lessees. The purpose of this paragraph is to prohibit the circumvention of the provisions and intent of this Article. The Board of Directors of the Association shall enforce, and the Owners comply with, same with due regard for such purpose.

Section 8.4 Applicability to Declarant. The provisions of this Article VIII shall not be applicable to the Declarant.

ARTICLE IX
USE RESTRICTIONS

Section 9.1 Applicability. All Property shall be held, used and enjoyed subject to the following limitations and restrictions, subject to the exemption of the Declarant herefrom, which exemption is hereby made to all sections of this Article IX.

Section 9.2 Land Use and Building Type. No Lot shall be used for any purpose other than for residential purposes. No building constructed on a Lot shall be used for any purpose other than for residential purposes, or as a garage, if applicable. No building shall be erected, altered, placed or permitted to remain on any Lot other than one Residential Unit. Temporary uses by the Declarant for model homes, sales displays, parking lots, sales offices and other offices, or anyone or combination of such uses, shall be permitted until permanent cessation of such uses takes place. No changes may be made in buildings erected by the Declarant (except if such changes are made by the Declarant) without the written consent of the DAB as provided in Article VII hereof.

Section 9.3 Garage Sales. No garage sale shall be held at the Property.

Section 9.4 Easements. Easements for installation and maintenance of utilities, Common Irrigation Systems and other lines, systems and equipment, including, but not limited to, the Surface Water Management System Facilities and drainage-ways are reserved as shown on the recorded plat covering the Property and as provided herein. The area of each Lot covered by an easement and all improvements in the area shall be maintained by the Association, except as provided herein or in a Supplemental Declaration to the contrary and except for installations for which a public authority or utility company is responsible. The appropriate water and sewer authority, electric utility company, telephone company, the Association and the Declarant, and their respective successors and assigns (but not any other party not authorized on the applicable plat or by Declarant) shall have a perpetual easement for access to and installation and maintenance, of all water lines, sanitary sewers, storm drains, and electric, telephone and cable television lines, Surface Water Management System Facilities and drainageways, cables and conduits under, over, on and through the utility easements as shown on the plat.

Section 9.5 Nuisances. Nothing shall be done or maintained on any Lot which may be or become an annoyance or nuisance to the Property. Any activity on a Lot which interferes with television, cable or radio reception on another Lot shall be deemed a nuisance and a prohibited activity. In the event of a dispute or question as to what may be or become a nuisance, such dispute or question shall be submitted to the Board of Directors, which shall render a decision in writing, which decision shall be dispositive of such dispute or question.

Section 9.6 Temporary Structures: Gas Containers. Except as may be approved or used by the Declarant during construction and/or sales periods, no structure of a temporary character, or trailer, mobile home or recreational vehicle, shall be permitted to be kept on any Lot or Common Area (including streets) within the Property at any time or used at anytime for residential purposes, either temporarily or permanently except as provided herein at Section 9.11; provided, however, that the Association may use or authorize the use of tents (no more than 48 hours) and similar equipment for temporary functions such as parties. Any gas tanks, gas containers or propane gas cylinders must be installed underground and subject to site approval by the DAB. Any such installation placed on any lot without the consent of the DAB shall be subject to being removed from the premises at the owner's expense including any attorney fees incurred by the Association in enforcing this provision. The limitation on the installation of gas containers or gas cylinders shall not apply to gas containers or gas cylinders used for emergency generators or for one propane gas cylinder or tank (not to

exceed a capacity of 20 pounds) connected to a barbeque grill or such other tank designed and used for household purposes as shall be approved by the DAB.

No gas tanks, gas container or propane gas cylinder shall be permitted to be placed on or about the outside of any Residential Unit or on or about any ancillary building without the consent of the DAB, except for one (1) propane gas cylinder (not to exceed 20 lb. Capacity) connected to a barbecue grill and such other tank designed and used for household purposes as shall be approved by the DAB. The prohibitions on gas containers or gas cylinders in this Section shall not apply to gas containers used for emergency generators or for pool heaters.

Section 9.7 Signs. For purposes of this Declaration. "sign" shall include but not be limited to flags, banners, pennants, posters, bulletins, placards or any other manner of device designed to communicate information or images, but does not include American or Florida flags. No for sale sign shall exceed eighteen (18) inches by twenty-four (24) inches in size, and each Lot will be limited to one sign, which shall be placed at least ten (10) feet from the front and side Lot lines. No part of the for sale sign or post may be taller than forty-eight (48) inches from the ground. No for sale sign shall include the price being asked by the Owner and cannot say anything but "For Sale", the Real Estate Company's identification, and the telephone number.

Other than one for sale sign, specifically advertising that the property is for sale, and within the dimensions and restrictions designated herein, no other sign may be erected on any Lot, in any manner of display, without the advance written consent of the DAB. The DAB may give such consent as well as variances from the dimensions only for health and safety reasons of the subject Residential Unit Owner (e.g. Deaf Children in Area). The Declarant and/or the DAB shall have the right to remove signs which fail to comply with this Section if the Owner of the property on which the sign is located fails to remove it within twenty-four (24) hours of a request for removal by the Declarant, the DAB or its representative.

Section 9.8 Oil and Mining Operation. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in the Property, nor on dedicated areas, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in the Property. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any portion of the land subject to these restrictions.

Section 9.9 Pets, Livestock and Poultry. No animals, birds, reptiles, wildlife, livestock, or poultry of any kind shall be raised, bred, or kept on any Lot, except household pets may be kept, provided they are not kept, bred or maintained for any commercial purpose, and provided that they do not become a nuisance or annoyance to any neighbor by reason of barking or otherwise. No dogs or other pets shall be permitted to have excretions on any Common Areas, except areas designated by the Association. Each Owner shall be responsible to clean up any excretion by its pet. For purposes hereof, "household pets" shall mean dogs, cats and other animals expressly permitted by the Association, if any. Pets shall also be subject to all applicable rules and regulations. Nothing contained herein shall prohibit the keeping of fish or domestic (household type) birds, as long as the latter are kept indoors and do not become a source of annoyance to neighbors.

Section 9.10 Visibility at Intersections. No obstruction to visibility at street intersections or Common Area intersections shall be permitted; provided that the Association shall not be liable in any manner to any person or entity, including Owner's and Member's Permittee, for any damages, injuries or deaths arising from any violation of this Section.

Section 9.11 Commercial Trucks, Trailers, Campers and Boats. Commercial vehicles, or campers,

mobile homes, motor homes, house trailers or trailers of every other description, recreational vehicles, boats, boat trailers, horse trailers or vans, shall not be parked, or stored at any place on the Property unless they are parked and/or stored in an enclosed garage or in spaces, for some or all of the above, specifically designated by the Declarant or the Association for such purposes (if any). For purposes of this Section, "commercial vehicles" shall mean those which are not designed and used for customary personal/family purposes. The absence of commercial-type lettering or graphics on a vehicle shall not be dispositive as to whether it is a commercial vehicle. The prohibitions on parking contained in this Section shall not apply to temporary parking of trucks and commercial vehicles, such as for construction use or to passenger type vans with windows for personal use which are in acceptable condition in the sole opinion of the Board, nor to any vehicles of the Declarant or its affiliates. Motor homes, trailers and other recreational vehicles may be parked between the street and the front of the home for a maximum of twenty-four (24) hours for the purpose of cleaning, repairing or preparing for a trip. No one is permitted to use a motor home or trailer for the purpose of staying overnight, cooking or entertaining. No parking on lawns shall be permitted.

Subject to applicable laws and ordinances, any vehicle parked in violation of these or other restrictions contained herein or in the rules and regulations now or hereafter adopted may be towed by the Association at the sole expense of the owner of such vehicle if such vehicle remains in violation for a period of 24 hours from the time a notice of violation is placed on the vehicle. The Association shall not be liable to the owner of such vehicle for trespass, conversion or otherwise, nor guilty of any criminal act, by reason of such towing and once the notice is posted, neither its removal, nor failure of the owner to receive it for any reason, shall be grounds for relief of any kind. For purposes of this paragraph, "vehicle" shall also mean campers, mobile homes and trailers. An affidavit of the person posting the aforesaid notice stating that it was properly posted shall be conclusive evidence of proper posting.

Subject to applicable laws and ordinances, any vehicle parked in violation of these or other restrictions contained herein or in the rules and regulations now or hereafter adopted may be towed by the Association at the sole expense of the owner of such vehicle if such vehicle remains in violation for a period of 24 hours from the time a notice of violation is placed on the vehicle. The Association shall not be liable to the owner of such vehicle for trespass, conversion or otherwise, nor guilty of any criminal act, by reason of such towing and once the notice is posted, neither its removal, nor failure of the owner to receive it for any reason, shall be grounds for relief of any kind. For purposes of this paragraph, "vehicle" shall also mean campers, mobile homes and trailers. An affidavit of the person posting the aforesaid notice stating that it was properly posted shall be conclusive evidence of proper posting.

Section 9.12 Garbage and Trash Disposal. No garbage, refuse, trash or rubbish (including materials for recycling) shall be deposited except as permitted by the Association. The requirements from time to time of the applicable governmental authority or other company or association for disposal or collection of waste shall be complied with. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition. Such containers may not be placed out for collection sooner than 24 hours prior to scheduled collection and must be removed within 12 hours of collection. In the event that an Owner or occupant of a Residential Unit keeps containers for recyclable materials thereon, those shall be deemed to be refuse containers for the purposes of this Section 9.12.

Section 9.13 No Drying. No clothing, laundry or wash shall be aired or dried on any Lot.

Section 9.14 Unit Air Conditioners and Reflective Materials. No air conditioning units may be mounted through windows or walls. No building shall have any aluminum foil placed in any window or glass door or any reflective substance or other materials (except standard window treatments)

placed on any glass, except such as may be approved by the DAB for energy conservation purposes.

Section 9.15 Renewable Resource Devices. Nothing in this Declaration shall be deemed to prohibit the installation of energy devices based on renewable resources (e.g.: solar collector panels); provided, however, that same shall be installed only in accordance with the reasonable standards adopted from time to time by the DAB. Such standards shall be reasonably calculated to maintain the aesthetic integrity of the Property without making the cost of the aforesaid devices prohibitively expensive.

Section 9.16 Artificial Vegetation, Exterior Sculptures and Similar Items Prohibited. No artificial grass, flowers, plants or other artificial vegetation, exterior sculptures, fixtures, statues, figurines or similar structures or other landscape devices, including license plates, farm implements, tools or similar equipment or decorative signs, shall be placed or maintained upon either the front or side yard of any Lot. Nothing herein shall prohibit the appropriate display of the American Flag, decorative flags, bird baths, bird feeders, fountains, sundials or holiday decorations, provided however, that holiday decorations cannot be displayed for more than thirty (30) days. Further, that no flag shall exceed 3' x 5' in size and must be displayed either on a pole or attached to the Residential Unit. No more than one (1) flag and either one (1) bird bath, bird feeder, fountain or sundial shall be placed or maintained upon the front yard of any Lot without written approval of the DAB.

Section 9.17 Fences and Pools. No fence, wall or other similar structure shall be erected in the front yard, back yard, or side yard of a Lot, except as originally installed by Declarant or its affiliates. The use of any chain-link fence is expressly prohibited. An electric "invisible" fence is permitted for the purpose of a dog run in the rear of the Lot. No above the ground swimming pools shall be installed on or in any Lot. Hot tubs (or similar apparatus) not located within the lanai or patio area of the existing Residential Unit shall be subject to approval of the DAB who will review its placement and structure and may require the placement of certain landscaping, screening or other screening devices in order to maintain the harmony of its placement and appearance with the community.

Section 9.18 Outside Installations. The use of exterior antennas, aerials or similar equipment shall be permitted, without approval by the DAB, when such equipment is required to receive video programming. This includes small DBS satellite dishes that are less than one meter (39 inches) in diameter, TV antennas, and antennas used to receive MMDS. Satellite dishes and antennas are to be placed, screened or landscaped so as to be hidden from view as long as such landscaping or placement does not affect the quality of reception or unreasonably increase the cost of obtaining the antenna. No antenna is to be installed close to power lines or guidewires.

No radio station or short-wave operations of any kind shall operate from any building, Residential Unit or Common Areas, except for communication equipment utilized by the Association, if any and the Declarant and the Association may grant and hereby reserves easements for such purposes.

Section 9.19 Mailboxes and Newspaper Tubes. All mailboxes must remain as originally installed by the Declarant or residential builder. No newspaper tubes or similar devices are permitted on the Property.

Section 9.20 Water Wells and Septic Tanks. No private water wells or septic tanks may be drilled, installed or maintained on any Lot. Shallow well pumps may be permitted for lawn and landscaping use if authorized by the DAB provided tests indicate that the water is of satisfactory quality.

Section 9.21 Minimum Square Footage Requirements. All Resident Units constructed shall have a minimum of two thousand forty-three (2,043) square feet of Living Spaces and a minimum of seven hundred seventy one (871) square feet of other areas such as garages, porches, terraces, balconies, decks, patios and courtyards. The minimum width of the Residential Units shall be no less than fifty (50) feet in size.

ARTICLE X

GENERAL PROVISIONS

Section 10.1 Duration. The covenants and restrictions of this Declaration shall run with and bind the Property, and shall inure to the benefit of and be enforceable by the Declarant, the Association, the Owner of any property subject to this Declaration and the DAB, and their respective legal representatives, heirs, successors and assigns, for a term ninety-nine (99) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years each unless an instrument signed by the then Owners of 90%, and the mortgagees of 100% of the Residential Units, agreeing to revoke said covenants has been recorded and the Association has given its prior written consent thereto. No such agreement to revoke shall be effective unless made and recorded three (3) years in advance of the effective date of such agreement and unless written notice of the proposed agreement is sent to every Owner and each mortgagee of Owner at least ninety (90) days in advance of any action.

Section 10.2 Notice. Any notice permitted or required to be delivered as provided herein shall be in writing and may be delivered either personally or by mail. If delivery is made by mail, it shall be deemed to have been delivered seventy-two (72) hours after a copy of the same has been deposited in the United States mail, postage prepaid, addressed to the last known address of the person who appears as a Member or Owner on the records of the Association at the time of such mailing.

Section 10.3 Enforcement. Enforcement of this Declaration and restrictions shall be accomplished by means of a proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction, either to restrain violation or to recover damages, and against the land to enforce any lien created by this Declaration; and failure of the Association, the Declarant, the DAB, 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.

Section 10.4 Severability. If any portion of this Declaration or restrictions or any part, clause or word hereof, or if the application thereof in specific circumstances, shall be held invalid or declared unconstitutional by judgment or court order, such holding shall not affect the validity of the remaining provisions hereof or the application thereof in other circumstances.

Section 10.5 Amendment. In addition, but subject to any other manner herein provided for the amendment of this Declaration, the covenants, restrictions, easements, charges and liens of this Declaration may be amended, changed or added to at any time and from time to time upon the execution and recordation of an instrument executed by the Declarant or alternatively, by an instrument signed by the President of the Association, attested to by its Secretary and certifying that the amendment set forth in the instrument was adopted by a vote of at least sixty (60%) percent of the Voting Interests at a meeting in which notice of the proposed amendment is provided, provided that so long as the Declarant is the Owner of at least five (5%) percent of the Property, the Declarant's consent must be obtained for such amendment. The foregoing sentence may not be amended. Notwithstanding the foregoing, no provision hereof which is required to be included in this Declaration by the Club, Marion County, Florida or by SWFWMD shall be amended by the Declarant

or the Association without the written consent or joinder of said Club, County or Southwest Florida Water Management District as appropriate, by and through its duly authorized official and no amendment shall be made if same would clearly be contrary to the general scheme of development of the Property.

Section 10.6 Conflict. This Declaration shall take precedence over conflicting provisions in the Articles of Incorporation and By-Laws of the Association and the Articles shall take precedence over the By-Laws.

Section 10.7 Effective Date. This Declaration shall become effective upon its recordation in the Marion County Public Records.

Section 10.8 Standards for Consent, Approval, Completion, Other Actions, and Interpretation. Whenever this Declaration shall require the consent, approval or other action by the Declarant, the Association or the DAB, such consent, approval or action may be withheld in the reasonable discretion of the party requested to give such consent or approval or take such action, and all matters required to be completed or substantially completed by the Declarant, the Association, or the DAB shall be deemed so completed or substantially completed when such matters have been completed or substantially completed in the reasonable opinion of the Declarant, Association or DAB, as appropriate. This Declaration shall be interpreted by the Board of Directors and a concurring opinion of counsel to the Association that a particular interpretation is not unreasonable shall conclusively establish the validity of such interpretation.

Section 10.9 Easements. Should the intended creation of any easement provided for in this Declaration fail by reason of the fact that at the time of creation there may be no grantee in having the capacity to take and hold such easement, then any such grant of easement deemed not created shall nevertheless be considered as having been granted directly to the Association as agent for such intended grantees for the purpose of allowing the original party or parties to whom the easements were originally to have been granted the benefit of such easement and the Owners designate hereby the Declarant and the Association (or either of them) as their lawful attorney-in-fact to execute any instrument on such Owners' behalf as may hereafter be required or deemed necessary for the purpose of later creating such. Formal language of grant or reservation with respect to such easements, as appropriate, is hereby incorporated in the easement provisions hereof to the extent not so recited in some or all of such provisions.

Nothing contained in this Declaration shall, in and of itself, be deemed to grant to any utility company or authority (including cable television and similar companies) the right to use any portion of the Property for the installation of lines or equipment or otherwise, even within the areas of easements granted to other companies or authority.

Section 10.10 Declarant's Rights. Until the Declarant has completed and conveyed all the Property to Owners for their personal use and not for resale in the ordinary course of business, neither the Owners, the Association, nor any such parties' use of the Common Areas shall interfere with the completion of the development of the Property or the sale of Residential Units therein. In addition to any other right reserved by Declarant herein, the Declarant reserves the right to make use of unsold Residential Units, the Common Areas and all other facilities and improvements located within the Property for the purpose of maintaining models, guest accommodations, sales offices, administrative offices and conducting sales and promotional activities of all kinds whatsoever and the promotion of the Property. The Declarant may display signs, billboards, placards and other visual materials in such manner as it deems appropriate. The Declarant shall have the right to use all parking spaces and areas within the Property (except those parking spaces contained within lots already conveyed to Owners) for prospective purchasers or such other parties as the Declarant determines.

Section 10.11 Disclaimer of Association Liability. NOTWITHSTANDING ANYTHING CONTAINED HEREIN OR IN THE ARTICLES OF INCORPORATION, BY-LAWS, ANY RULES OR REGULATIONS OF THE ASSOCIATION OR ANY OTHER DOCUMENT GOVERNING OR BINDING THE ASSOCIATION (COLLECTIVELY, THE "GOVERNING DOCUMENTS"), THE ASSOCIATION SHALL NOT BE LIABLE OR RESPONSIBLE FOR, OR IN ANY MANNER A GUARANTOR OR INSURER OF, THE HEALTH, SAFETY OR WELFARE OF ANY OWNER, OCCUPANT OR USER OF ANY PORTION OF THE PROPERTY INCLUDING, WITHOUT LIMITATION, MEMBER'S PERMITTEE, CONTRACTORS OR SUBCONTRACTORS OR FOR ANY PROPERTY OF ANY SUCH PERSONS. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING:

(a) IT IS THE EXPRESS INTENT OF THESE DOCUMENTS THAT THE VARIOUS PROVISIONS HEREOF WHICH ARE ENFORCEABLE BY THE ASSOCIATION AND WHICH GOVERN OR REGULATE THE USES OF THE PROPERTY HAVE BEEN WRITTEN, AND ARE TO BE INTERPRETED AND ENFORCED, FOR THE SOLE PURPOSE OF ENHANCING AND MAINTAINING THE ENJOYMENT OF THE PROPERTY AND THE VALUE THEREOF; AND

(b) THE ASSOCIATION IS NOT EMPOWERED, AND HAS NOT BEEN CREATED, TO ACT AS AN AGENCY WHICH ENFORCES OR ENSURES COMPLIANCE WITH THE LAWS OF THE STATE OF FLORIDA, MARION COUNTY OR THE PREVENTION OF TORTUOUS ACTIVITIES.

EACH OWNER (BY VIRTUE OF HIS ACCEPTANCE OF TITLE TO HIS RESIDENTIAL UNIT) AND EACH OTHER PERSON HAVING AN INTEREST IN OR LIEN UPON, OR MAKING ANY USE OF, ANY PORTION OF THE PROPERTY (BY VIRTUE OF ACCEPTING SUCH INTEREST OR LIEN OR MAKING SUCH USE) SHALL BE BOUND BY THIS ARTICLE AND SHALL BE DEEMED TO HAVE AUTOMATICALLY WAIVED ANY AND ALL RIGHTS, CLAIMS, DEMANDS AND CAUSES OF ACTION AGAINST THE ASSOCIATION ARISING FROM OR CONNECTED WITH ANY MATTER FOR WHICH THE LIABILITY OF THE ASSOCIATION HAS BEEN DISCLAIMED IN THIS ARTICLE.

AS USED IN THIS ARTICLE, "ASSOCIATION" SHALL INCLUDE WITHIN ITS MEANING ALL MEMBERS AND THE ASSOCIATION'S DIRECTORS, OFFICERS, COMMITTEES AND EMPLOYEES, AGENTS, CONTRACTORS (INCLUDING MANAGEMENT COMPANIES), SUBCONTRACTORS, SUCCESSORS AND ASSIGNS.

Section 10.12 Covenants Running with the Land. Anything to the contrary herein notwithstanding and without limiting the generality (and subject to the limitations) of Section 10.1 hereof, it is the intention of all parties affected hereby (and their respective heirs, personal representatives, successors and assigns) that this Declaration and restrictions shall run with the land and with title to the Property. Without limiting the generality of Section 10.1 hereof, if any provision or application of this Declaration would prevent this Declaration from running with the land as aforesaid, such provision and/or application shall be judicially modified, if at all possible, to come as close as possible to the intent of such provision or application and then be enforced in a manner which will allow this Declaration and restrictions to so run with the land; but if such provision and/or application cannot be so modified, such provision and/or application shall be unenforceable and considered null and void in order that the paramount goal of the parties affected hereby (that this Declaration and restrictions run with the land as aforesaid) be achieved.

Section 10.13 Use of Term Grand Park North. No person shall use the term Grand Park North Community Association, Inc., or any derivation thereof in any printed or promotional material without the prior written consent of the Declarant. However, Owners may use the term Grand Park North in printed or promotional matter where such term is used solely to specify that the particular property is located within Grand Park North and the Association shall be entitled to use the word Grand Park North in its name.

Section 10.14 Special Approval. In the event that a VA-FHA insured mortgage encumbers any Residential Unit during the time the Declarant has the right to designate a majority of the Board of Directors of the Association, none of the following actions may be taken without approval of the VA-FHA; a merger, consolidation or dissolution of the Association; a dedication, conveyance or mortgage of any Common Areas; the annexation of additional properties which do not or will not contain Residential Units of a style, quality and price contemplated in the development plan and any amendment of this Declaration or the Articles of Incorporation or By-Laws of the Association in the forms previously approved by the VA-FHA.

Section 10.15 Cable Telecommunications. Without limiting the generality of any other rights of the Declarant reserved herein, the Declarant hereby reserves and retains unto itself and its successors and assigns:

- a) title to all cable television and other telecommunications lines, installation and equipment installed by the Declarant or its designee within the Property (which title shall also be reserved in any independent contractor installing such materials);
- b) the right to grant easements, licenses, concessions and contracts to providers of such services and systems, for or without consideration; and
- c) the right to alter, expand or eliminate such services and systems from time to time.

In the event that the Declarant avails itself of any of the aforesaid rights, it shall be deemed to have done so solely for its own benefit and the Declarant shall at no time be deemed a guarantor or insurer of the adequacy, effectiveness, workmanship or quality of any system or service provided within the Property.

ARTICLE XI

ADDITIONAL RIGHTS OF MORTGAGEES AND OTHERS

Section 11.1 Holders of first mortgages on Residential Units shall have the right, upon written request to the Association, to: (i) examine this Declaration and other related documents and the Association's books and records at reasonable times, (ii) receive a copy of the Association's financial statement for the immediately preceding fiscal year, (iii) receive notices of and attend the Association meetings, (iv) receive notice of an alleged default in any obligations hereunder by any Owner on whose Residential Unit such mortgagee holds a mortgage, which is not cured within thirty (30) days of notice of default to the Owner, and (v) receive notice of any substantial damage or loss to any portion of the Common Areas.

Any holder, insurer, or guarantor of a mortgage on a Residential Unit shall have, if first requested in writing, the right to timely written notice of (i) any condemnation or casualty loss affecting a material portion of the Common Areas, (ii) a thirty (30) day delinquency in the payment of the Assessments on a mortgaged Residential Unit, (iii) the occurrence of a lapse, cancellation or material modification of any insurance policy or fidelity bond maintained, by the Association, (iv) any proposed termination

ARTICLE XII

INSURANCE

Section 12.1 Insurance Required. In addition to any other type of insurance the Association may elect to maintain from time to time, the Association shall maintain casualty, liability and fidelity insurance as follows:

(a) Casualty - covering one hundred percent (100%) of the replacement cost of all improvements to the Common Areas (excluding land and foundations), with agreed amount, inflation guard, demolition cost, contingent liability from operation of building laws and increase cost of construction and endorsements (when and if same are obtainable at reasonable rates);

(b) Liability - providing for comprehensive general liability coverage for the Common Areas, public ways and other areas under the Association's direct supervision, in an amount of not less than Three Million Dollars (\$3,000,000.00) (if available at reasonable rates) for bodily injury and property damage in aggregates of \$1,000,000 for any single occurrence (including same resulting from the operation, maintenance or use of the Common Areas), together with coverage of legal liability resulting from employment contracts to which the Association is a party;

(c) Fidelity Bonding - for any person who either handles or is responsible for the funds held or administered by the Association (regardless of whether such person is paid compensation), such bonds to name the Association as an obligee and be in the aggregate amount equal to at least three (3) times the then-current General Assessments for a month.

(d) Directors' and Officers= Liability Insurance - if so desired by the Association.

Section 12.2. Special Provisions. Each insurance policy or bond maintained as aforesaid shall provide for at least twenty (20) days prior written notice to the Association and all mortgagees of the Residential Units or the common Areas before same may be canceled or substantially modified for any reason.

EXECUTED this 7th day of April, 2005.

Signed, sealed and delivered
in the presence of:

Martha A Kyker
Witness Print Name Martha A Kyker

Cathi T. Schultz
Witness Print Name:
Cathi T. Schultz

RAINBOW SPRINGS, LIMITED,
a Florida Limited Partnership, Declarant
By: Chase Ventures, Inc.,
a Corporate general partner

Timothy Collins
By: J. Timothy Collins, Vice President

STATE OF FLORIDA

COUNTY OF MARION

I HEREBY CERTIFY that on this day personally appeared before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, J. Timothy Collins as Vice President, Chase Ventures, Inc., a general partner of Rainbow Springs Limited, a Florida limited partnership, to me known to be the person described in and who executed the foregoing instrument for their purposes therein stated.

WITNESS my hand and official seal on this 17th day of April, 2005.

Linda C. Wyland
NOTARY PUBLIC

My commission expires: 01-26-2008



Linda C. Wyland
MY COMMISSION # DD281486 EXPIRES
January 26, 2008
BONDED THRU TROY FAIN INSURANCE, INC.

FEBRUARY 5, 2004
JULY 2, 2004 (REVISED)

EXHIBIT "A"

**RAINBOW SPRINGS LIMITED
GRAND PARK NORTH**

DESCRIPTION

A PARCEL OF LAND LYING IN SECTION 12, TOWNSHIP 16 SOUTH, RANGE 18 EAST, MARION COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF THE LANDS DESCRIBED IN OFFICIAL RECORDS BOOK 1099, PAGES 103-106, OF THE PUBLIC RECORDS OF MARION COUNTY, FLORIDA; THENCE N89°28'43"E, ALONG THE SOUTH LINE OF SAID LANDS, 884.20 FEET, TO THE NORTHEAST CORNER OF THE LANDS DESCRIBED IN OFFICIAL RECORDS BOOK 3693, PAGES 890 THROUGH 895, OF SAID PUBLIC RECORDS, AND THE POINT OF BEGINNING; THENCE CONTINUE N89°28'43"E, ALONG SAID LINE, 764.89 FEET, TO THE SOUTHEAST CORNER OF SAID LANDS AND AN INTERSECTION WITH THE WESTERLY RIGHT-OF-WAY LINE OF CSX TRANSPORTATION INC. RAILROAD (100 FEET WIDE); THENCE S29°25'50"E, ALONG SAID WESTERLY RIGHT-OF-WAY LINE, 537.31 FEET, TO THE POINT OF CURVATURE OF A CIRCULAR CURVE, CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 2814.93 FEET; THENCE CONTINUE ALONG SAID RIGHT-OF-WAY LINE AND CURVE, SOUTHEASTERLY, 507.00 FEET, THROUGH A CENTRAL ANGLE OF 10°19'11" AND A CHORD BEARING AND DISTANCE OF S24°16'14"E, 506.32 FEET, TO THE POINT OF TANGENCY THEREOF; THENCE CONTINUE ALONG SAID WESTERLY RIGHT-OF-WAY LINE, S19°06'39"E, 808.84 FEET, TO THE POINT OF CURVATURE OF A CIRCULAR CURVE, CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 2914.93; THENCE CONTINUE ALONG SAID WESTERLY RIGHT-OF-WAY LINE AND CURVE, SOUTHEASTERLY, 393.17 FEET, THROUGH A CENTRAL ANGLE OF 07°43'41" AND A CHORD BEARING AND DISTANCE OF S22°58'57"E, 392.87 FEET, TO THE NORTHEAST CORNER OF PARCEL 5 OF THE LANDS DESCRIBED IN OFFICIAL RECORDS BOOK 1693, PAGE 1058, OF SAID PUBLIC RECORDS (HEREINAFTER REFERRED TO AS DEED); THENCE N89°45'51"W (WEST, PER DEED), ALONG THE NORTHERLY LINE OF SAID LANDS, 1059.58 FEET (1060.86 FEET, PER DEED); THENCE CONTINUE ALONG SAID NORTHERLY LINE, N69°45'09"W (N70°W, PER DEED), 200.00 FEET; THENCE CONTINUE ALONG SAID NORTHERLY LINE, N84°46'02"W (N85°W, PER DEED), 449.76 FEET (450 FEET, PER DEED); THENCE CONTINUE ALONG SAID NORTHERLY LINE, S67°43'09"W (S67°30'W, PER DEED), 349.92 FEET (350 FEET, PER DEED); THENCE CONTINUE ALONG SAID NORTHERLY LINE, S30°14'25"W (S30°W, PER DEED), 224.91 FEET (225 FEET, PER DEED); THENCE CONTINUE ALONG SAID NORTHERLY LINE, S55°12'36"W (S55°W, PER DEED), 349.93 FEET (350 FEET, PER DEED); THENCE CONTINUE ALONG SAID NORTHERLY LINE, S89°21'19"W (S89°07'53"W, PER DEED), 524.95 FEET (525 FEET, PER DEED), TO THE NORTHWEST CORNER OF SAID LANDS AND THE EASTERLY MAINTAINED RIGHT-OF-WAY LINE OF U.S. HIGHWAY NO. 41 (WIDTH VARIES); THENCE N09°21'25"E, ALONG SAID EASTERLY MAINTAINED RIGHT-OF-WAY LINE, 2187.36 FEET, TO THE SOUTHWEST CORNER OF THE AFOREMENTIONED LANDS DESCRIBED IN OFFICIAL RECORDS BOOK 3693, PAGES 890 THROUGH 895; THENCE N89°27'39"E, ALONG THE SOUTHERLY LINE OF SAID LANDS, 371.32 FEET, TO THE POINT OF CURVATURE OF A CIRCULAR CURVE, CONCAVE NORTHWEST AND HAVING A RADIUS OF 300.00 FEET; THENCE CONTINUE ALONG SAID SOUTHERLY LINE AND CURVE, NORTHEASTERLY, 261.76 FEET, THROUGH A

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CENTRAL ANGLE OF 49°59'35" AND A CHORD BEARING AND DISTANCE OF N64°27'51"E, 253.54 FEET, TO THE POINT OF REVERSE CURVATURE WITH A CIRCULAR CURVE, CONCAVE SOUTHEASTERLY AND HAVING A RADIUS OF 400.00 FEET; THENCE CONTINUE ALONG SAID SOUTHERLY LINE AND CURVE, NORTHEASTERLY, 349.02 FEET, THROUGH A CENTRAL ANGLE OF 49°59'35" AND A CHORD BEARING AND DISTANCE OF N64°27'51"E, 338.05 FEET, TO THE POINT OF TANGENCY THEREOF; THENCE CONTINUE ALONG SAID SOUTHERLY LINE, N89°27'39"E, 28.98 FEET, TO THE SOUTHEAST CORNER OF SAID LANDS; THENCE N00°32'21"W, ALONG THE EAST LINE OF SAID LANDS, 49.44 FEET, TO THE POINT OF BEGINNING.

SAID PARCEL CONTAINING 109.15 ACRES, MORE OR LESS.

FOR THE SKETCH OF THE DESCRIPTION, REFER TO THE DRAWING BY BERRYMAN & HENIGAR, JOB NO.91738.02, FILE NO. 1M-342, DATED JULY 6, 2004.

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