

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR

90085340 MALLORY HARBOR AT CORAL BAY

THIS DECLARATION, made by FN PROJECTS, INC., a California corporation, formerly known as 1ST NATIONWIDE NETWORK MORTGAGE COMPANY, hereinafter referred to as "Declarant."

WITNESSETH:

WHEREAS, Declarant is the sole owner of all of that certain real property, located in Broward County, Florida, as more particularly described in Exhibit A, annexed hereto ("the Village"); and

WHEREAS, in order to develop the Village and preserve and enhance the values and amenities of the Village and the architectural integrity and standard of the Village, it is necessary to declare and subject the Village to certain land use covenants, restrictions, reservations, regulations, burdens and liens and to delegate and to assign to a homeowners' association certain powers and duties of ownership, administration, operation and enforcement.

NOW, THEREFORE, in consideration of the premises and mutual covenants contained herein, Declarant hereby declares that the Village shall be owned, held, used, transferred, sold, conveyed, demised and occupied subject to the covenants, restrictions, reservations, regulations, burdens and liens hereinafter set forth and that the provisions of this Declaration shall be covenants running with the lands which comprise the Village and shall be binding on all parties having any right, title or interest in the Village or in any portion thereof, their heirs, personal representatives, successors and assigns and shall inure to each portion of the Village.

**ARTICLE 1
ESTABLISHMENT OF VILLAGE**

1.1 Authorization for Establishment. The Village is being established by Declarant pursuant to Article 4 of that certain Declaration of Covenants, Conditions and Restrictions for Coral Bay (together with any amendments thereto existing as of the date hereof), as originally recorded under Clerk's File Number 90-085338 of the Public Records of Broward County, Florida ("the Master Declaration").

1.2 Supremacy of the Master Declaration. The provisions of this Declaration and the rights and obligations granted herein or pursuant hereto are expressly subject to and subordinate to the provisions of the Master Declaration.

1.3 Obligations of the Village and Village Association. It is the intention of the Master Declaration that each Village Association established pursuant thereto, including but not limited to this Village Association, shall be a discrete and autonomous organization subject, however, to the provisions of the Master Declaration in general and Section 1.2 hereof in particular. Anything herein to the contrary notwithstanding, there shall remain vested in the Owners, Declarant, the CDD and all the Village Associations the right, jointly and/or severally, to take whatever steps they deem appropriate to insure that this Village Association and all other Village Associations shall comply with any,

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every and all of their obligations hereunder and under the Master Declaration in a full, faithful and timely manner. By way of example, but not of limitation, in the event that, for whatever reason, the Village Association shall fail to enforce rules regarding uniformity of exterior colors against Owners in its particular Village, Declarant, the CDD, the other Village Associations and the Owners shall have the right to enforce such rules on behalf of the Village Association, and shall have all of the rights against the Village Association as set forth in the Master Declaration.

1.4 Cooperation with the CDD and Other Village Associations. Nothing contained herein shall be deemed to preclude the Village Association from cooperating with the CDD, Declarant or other Village Associations if such cooperation would, in the Board's opinion, be in the best interests of this Village.

ARTICLE 2 DEFINITIONS

Interpretation and Flexibility. The defined terms set forth below shall apply unless the context shall require a contrary interpretation. In the event of any ambiguity or question as to whether any person, entity, property or improvement shall fall within any of the definitions contained in this Article, Declarant's determination (as evidenced by a recorded Supplemental Declaration) shall be binding and conclusive.

A. "Articles of Incorporation" means the Articles of Incorporation of the Village Association.

B. "Board" or "Board of Directors" means the board of directors of the Village Association.

C. "Builder" means a purchaser/owner of Land from Declarant engaged in the construction and sale of Units thereon.

D. "By-Laws" means the By-Laws of the Village Association.

E. "CDD" means the Community Development District (or special taxing district) established by Declarant for lands subject to the Master Declaration, including the Village, pursuant to Chapter 190 of the Florida Statutes, or an existing special taxing district of which the Village shall become a part.

F. "Commercial Building" means a structure containing one or more Commercial Units.

G. "Commercial Land" means any portion of the Village now or hereafter zoned for commercial use or shown as being intended for such use on an applicable plat or site plan.

H. "Commercial Unit" means a portion of the Village subject to exclusive ownership and used or to be used as a physically separate retail, service, office or other non-residential purpose.

I. "Committee" means the Architectural Control Committee of the Village Association.

J. "County" means Broward County, Florida and its duly authorized agencies and authorities, as applicable.

K. "Declaration" means this Declaration of Covenants, Conditions and Restrictions for the Village being established pursuant to this Declaration, including all Exhibits annexed hereto, as well as Supplemental Declarations.

L. "Declarant" means: (a) FN Projects, Inc., a California corporation, formerly known as 1st Nationwide Network Mortgage Company, its successors and those to which Declarant's rights hereunder shall be assigned specifically; and (b) for purposes of taking actions on Declarant's behalf under this Declaration, Declarant's duly appointed agent(s). Declarant shall have the right to assign all or a portion of its rights hereunder in connection with all or a portion of the Village. In the event of any partial assignment, the assignee shall not be deemed "a Declarant," but shall have all such rights as specifically assigned to it. As used with regard to Declarant, "successors and/or assigns" specifically does not include transferees of individual Units.

M. "Improvement" means any structure or artificially and intentionally created condition, together with all appurtenances thereto, of every type and kind located within the Village, including, without limitation, buildings, outbuildings, walkways, sprinkler pipes, roads, sidewalks, alleys, street lights, driveways, parking areas, recreation facilities, bodies of water, fences, screening walls, retaining walls, stairs, decks, landscaping, windbreaks, planted trees and shrubs, conduits for telephone lines, storm drainage, cable television lines and site lighting poles, signs and shared equipment and/or utility-type services such as water, sewer and electrical systems, and other commonly shared equipment and/or utility-type services, if any.

N. "Institutional Lender" means any bank, insurance company, FHA approved mortgage lending institution, recognized pension fund investing in mortgages or federal or state savings and loan association which has a mortgage lien upon any Residential Unit or which has acquired and holds title to such Unit either as a result of its foreclosure of any such mortgage lien or by its receipt of a deed in lieu of foreclosure.

O. "Lake" means that certain body of water presently having a surface area of approximately sixty-nine (69) acres, at least a portion of which is located within the Community, as more particularly shown in the Plats. The Lake is a part of "the Common Properties" as defined in the Master Declaration.

P. "Land" means any Commercial Land and/or Residential Land.

Q. "Member" means a member of the Village Association.

R. "Owner" means the record owner, whether one or more persons or entities, of the fee simple title to any Land or Unit.

S. "Plat" means the plat of any portion of the Village, as may, from time to time, be recorded in the Public Records of Broward County, Florida.

T. "Permitted Unit" means a Unit planned to be built within the Village, but not yet constructed or not yet issued a certificate of occupancy. The number of Permitted Units within this Village shall be:

- (1) the total number of Units permitted to be built within this Village as determined by site plan or land use plan approved by the applicable governmental authority, recorded plat, or Declarant's estimate of the number of Units permissible within this Village; less
- (2) the total number of Units actually existing at such time within this Village.

U. "Residential Land" means any portion of the Village zoned or shown on an applicable plat or site plan as being intended for residential use.

V. "Residential Unit" means a part of the Village subject to exclusive ownership and used or to be used for single-family residential purposes, including, without limitation, each single-family dwelling, detached or attached, villa, patio home, condominium or other form of dwelling, whether planned, constructed or occupied.

W. "Supplemental Declaration" means an amendment to this Declaration as may be recorded from time to time in the Public Records of Broward County, Florida.

X. "Unit" means any Commercial Unit or Residential Unit in this Village.

Y. "Village" means all of the Land, including Units and Common Properties, located within the real property described in Exhibit A attached hereto, and any and all additions to or withdrawals from the real property described in Exhibit A, as may hereafter be made subject to the provisions of this Declaration.

Z. "Village Association" means Mallory Harbor at Coral Bay Village Association, Inc., a Florida corporation not for profit, its successors and assigns.

AA. "Village Expenses" means all costs and expenses properly incurred by the Village Association.

ARTICLE 3
PROPERTY SUBJECT TO THIS DECLARATION

3.1 Existing Property. The parcel of real property which is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration is located in Broward County, Florida, as more particularly described in Exhibit A annexed hereto.

3.2 Supplements. Declarant may, from time to time, submit other parcel(s) of real property to the provisions of this Declaration by recorded Supplemental Declaration(s), none of which shall require the consent of any then existing Owner or of the CDD. Nothing herein shall obligate Declarant to add to the Village property other than as set forth in Exhibit A; nor shall anything herein prohibit Declarant from causing some or all of such property to be rezoned and/or from changing development plans with respect to such property. Each Owner by acceptance of the deed to his Land or Unit, automatically consents to any such rezoning, change, addition or deletion sought or made by Declarant after acceptance and, if requested by Declarant, shall execute, acknowledge and deliver such documents or joinders as Declarant, in its sole discretion, shall deem necessary.

3.3 Withdrawal. Declarant reserves the right, unilaterally, at any time and from time to time, to amend this Declaration without prior notice to and without the consent of any person or entity, for the purpose of removing any portion of the Village then owned by Declarant from the provisions of this Declaration, but only to the extent that such portion(s) shall have been included originally in error or as a result of any change whatsoever in the plans for the Village made by Declarant; provided, however, that such withdrawal shall not be unequivocally contrary to the overall uniform scheme of development for the then remaining portions of the Village. Any withdrawal of land not then owned by Declarant shall not be effective without the joinder of the then owner(s) of such land.

ARTICLE 4
EASEMENTS AND OTHER PROPERTY RIGHTS

4.1 Easements in General. If any grant of any easement in this Declaration would otherwise fail by virtue of the nonexistence of the grantee thereof as of the date of this Declaration, then the Village Association or the CDD, as the case may be, automatically shall be deemed to be the attorney-in-fact for such grantee to hold the interest created by such grant of easement until such grantee shall come into existence, at which time the interest created by such grant of easement automatically shall become vested in such grantee.

4.2 Easements for Access. Declarant hereby reserves for itself, the Village Association, the CDD and their respective successors and assigns, perpetual non-exclusive easements of ingress and egress over and across any and all roads and accessways to and from any public roadway(s) constructed from time to time within the Village, which easements shall be for the use of Declarant, the

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Village Association, the CDD, Owners and their respective lessees, employees, agents, invitees, licensees and all of their respective successors and assigns.

4.3 Easements for Maintenance. Easements are hereby reserved in favor of the Village Association and the CDD under, upon, across, through and over all portions of the Village for the purpose, as deemed necessary by the Village Association, or by the CDD, as the case may be, for preserving and maintaining the Land, the Units and carrying out its responsibilities under this Declaration; provided, however, that all such activity shall be undertaken in a manner so as to minimize interference with any Owner's use of his property.

4.4 Easements for Zero Lot Line Maintenance. When any Land ("the Servient Estate") shall abut a zero lot line lot ("the Dominant Estate") upon which a dwelling has been or is permitted to be constructed contiguous to the interior property line between the Dominant Estate and the Servient Estate, then the Owner of the Dominant Estate shall have an easement over the Servient Estate, which easement shall be four (4) feet wide contiguous to the interior property line running from the front to the rear property line of the Servient Estate for the following purposes:

A. For painting, repairing and otherwise maintaining each wall of the Residential Unit in such Dominant Estate abutting the aforesaid property line.

B. For support in and to all structural members, footings and foundations of any Improvements on the Dominant Estate; provided, however, that nothing herein shall be construed as requiring the Owner of the Servient Estate to erect (or permit erection of) columns, load bearing walls or other structures on the Servient Estate for support of the Improvements on the Dominant Estate.

C. For entry upon and ingress and egress through the Servient Estate with persons, materials and equipment to the extent reasonably necessary in the performance of maintenance, repair, replacement of any of the Improvements on the Dominant Estate.

D. For overhanging troughs, gutters and downspouts and the discharge therefrom of rainwater and subsequent flow thereof over the easement area.

4.5 Easements for Encroachments. If, for any reason not caused by the purposeful or negligent act of Declarant, or of an Owner or the respective agent(s) of either, any encroachment shall hereafter occur as a result of:

A. Construction by Declarant of any Improvement;

B. Settling or shifting of any Improvement;

C. Any repair or restoration of any Improvement after damage by fire or other casualty or taking by condemnation or eminent domain proceedings;

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than, in any such event, an easement shall exist for such encroachment and for the maintenance of same so long as the Improvement causing said encroachment shall stand.

4.6 Extent of Easements. The rights and easements created hereby shall be subject to the following:

A. The Village Association's right reasonably to limit the number of each Owner's guests and invitees using such rights and easement;

B. The Village Association's right to suspend the rights and easements of enjoyment of any Member for the period during which any assessment levied against such Member shall remain unpaid, and, for a period not to exceed sixty (60) days, for any infraction of its Rules and Regulations by such Member, it being understood that any suspension for either non-payment of any assessment or breach of any Rules and Regulations of the Village Association shall not constitute a waiver or discharge of the Member's obligation to pay the assessment; provided, however, that the Village Association shall not suspend the right to use any roads within the Village; and provided, further, that the Village Association shall not suspend any rights and easements reserved herein by Declarant.

C. The right of the CDD to place any reasonable restrictions upon the use of any roads within the Village, including, but not limited to, the maximum and minimum speeds of vehicles using the roads and other traffic and parking regulations.

D. The title holder's right to give, dedicate or sell all or any portion of the Village Properties to the CDD, any other public agency, authority or utility or private concern for such purposes and subject to such conditions as may be determined by such title holder.

E. All rights and easements retained in the Master Declaration in general, and in Article 3 thereof in particular.

4.7 Construction Activities. Declarant, its agents, contractors, subcontractors, licensees and/or other designees may, from time to time, be engaged in construction, excavation, blasting and other activities within or in proximity to the Village. By acceptance of a deed or other conveyance or mortgage, leasehold, license or other interest, each such Owner, lender and user and their respective successors and assigns automatically acknowledge, stipulate and agree:

A. None of the aforesaid activities shall be deemed a nuisance or offensive activity;

B. Not to enter upon or allow other persons under their direction or control to enter upon any portion of the Village where such activity is being conducted (even if not being conducted actively at the time of entry, such as at night or otherwise during non-working hours); and

C. Declarant, its agents, contractors, subcontractors, licensees and designees, shall not be liable for any direct or consequential losses, damages, injuries or deaths arising from or relating to the aforesaid activities.

ARTICLE 5
FUNCTIONS OF THE VILLAGE ASSOCIATION

5.1 In General. The Village Association shall be subject to the authority of the CDD and the provisions of the Master Declaration.

5.2 Maintenance and Repair. All maintenance, repairs and replacements of, in or to any Unit, whether structural or non-structural, ordinary or extraordinary, including without limitation, maintenance, repair and replacement of screens, windows, and the electrical (including wiring), plumbing (including fixtures and connections), heating and air-conditioning equipment, fixtures and outlets, appliances, carpets and other floor covering, sod, landscaping, driveways or other property belonging to the Owner, shall be performed by the Owner of such Unit at the Owner's sole cost and expense, except as otherwise expressly provided to the contrary herein.

5.3 Village Association Expenses. The Village Association shall, through the Board, fix and determine from time to time the sum(s) necessary and adequate to provide for the Village Association's expenses.

5.4 Security. Certain security procedures may be adopted to promote the safety, security and welfare of the Village. No representation, guaranty, warranty or assurance is made or given that any security systems or procedures instituted within the Village shall prevent personal injury or damage to or loss of personal property. Neither Declarant nor the Village Association shall be liable for any personal injury or for any loss or damage to personal property which may result from the failure of any security system or procedures adopted from time to time. Each Owner will be obligated to pay a portion of the expenses for maintenance of security within the Village.

5.5 Effect of CDD. Declarant intends to have the Village become part of the CDD. The CDD shall have the authority to plan, establish, acquire, construct and/or reconstruct, enlarge or extend, equip, operation, and maintain systems and facilities for the following basic infrastructures:

A. Water management and control for the lands within the CDD and connection of some or any of such facilities with roads and bridges;

B. Water supply, sewer and wastewater management, or any combination thereof, and construction and operation of connecting intercepting or outlet sewers or sewer mains and pipes and water main, conduits, or pipelines in, along and under any street, alley, highway or other public place or way and to dispose of any effluent, residue or other byproducts of such system or sewer system;

C. Bridges or culverts that may be needed across any drain, ditch, canal, floodway, holding basin, excavation, public highway, tract, grade, fill or cut, and roadways over levys and embankments and to construct any and all of such works and improvements across, through, or over any public right-of-way, highway, grade, fill or cut;

D. Roads equal to or exceeding the specifications of Broward County;

In addition to these general powers, the CDD may obtain from the local government, power to regulate parks, fire prevention and control, schools, security, mosquito control and waste collection and disposal and any other power permitted under Section 190.012, Florida Statute.

5.6 Discharge of Declarant. To the extent that the CDD shall undertake to provide any of the services or perform any of the functions that Declarant and/or the Village Association is required or permitted to perform, or shall undertake any of the responsibilities and obligations of Declarant or the Village Association, then Declarant and the Village Association shall be discharged of those responsibilities undertaken by the CDD, and the applicable assessments and budgets shall be adjusted accordingly.

ARTICLE 6 ASSESSMENTS

6.1 Purpose. The assessments levied by the Village Association shall be used to promote the common health, safety, benefit, recreation, welfare and aesthetics of the Owners. The assessments shall be at the rates and shall commence as provided below.

A. Residential Land and Units. Each parcel of Residential Land shall be assessed at a rate equal to twenty percent (20%) of the assessments which would be applicable to such Land if all Residential Units permitted to be constructed thereon were to be constructed and conveyed; provided, however, that all Residential Units within the Village shall be assessed equally at the full (i.e., 100%) rate commencing on the first day of the second calendar month after the earlier of: (1) the issuance of the Certificate of Occupancy (or its equivalent) for the Residential Unit; or (2) the recording of the deed to the Residential Unit to the first purchaser thereof from the party constructing such Unit.

B. Commercial Land and Commercial Units. In recognition of the fact that varying uses of any Commercial Land will have different impacts on the Village and in order to preserve Declarant's flexibility in providing for appropriate applications of this Declaration, Declarant shall determine the assessment rate and its commencement date as to each parcel of Commercial Land and/or each Commercial Unit by providing for same in a Supplemental Declaration. It is specifically contemplated, though not mandated, that any Commercial Units shall pay assessments at generally lower rates than Residential Units and shall not be subject to

any assessment until a Certificate of Occupancy (or its equivalent) shall have been issued therefor.

6.2 Annual Assessments: Budget. The Board shall fix, determine and collect the sums necessary and adequate to pay for the Village Association's expenses. The annual assessment shall be determined by the Board based upon an estimated annual budget, which shall be prepared at least forty-five (45) days prior to the commencement of the fiscal year. The Village Association's fiscal year shall be the calendar year. Its first fiscal year shall begin on the date this Declaration shall be recorded in the Public Records of Broward County, Florida and shall end on the last day of such year. Assessments shall be payable monthly in advance at the Village Association's main office or at such other time or place as determined by the Board. The payment of any assessment shall be in default if it shall not be paid to the Village Association on or before its due date.

6.3 Special Assessments and Special Individual Assessments. In addition to the annual assessments, the Village Association shall have the power to levy special assessments to pay the costs of such items as are determined to be necessary or appropriate by the Board. Special Assessments shall be allocated to and paid by each Unit on the same basis as all other assessments and shall be due and payable in the amount and at the time determined by the Board. Special Individual Assessments are assessments which may be levied by the Village Association against one or more specific Units and Owners and in differing amounts as determined necessary or appropriate, to be by the Board in accordance with the provisions of this Declaration.

6.4 Liens: Personal Obligations: Enforcement. The Village Association shall have a lien against each parcel of Land and each Unit for assessments thereon, which lien shall be effective upon recording a Claim of Lien in the Public Records of Broward County, Florida. A Claim of Lien shall state the description of the Land or Unit encumbered thereby, the name of the record owner (as set forth in the Village Association's records), the amount due and the date when due. No lien shall continue for a period longer than one (1) year after the Claim of Lien shall have been recorded, unless within that time an action to enforce the lien shall be commenced in a court of competent jurisdiction. The Claim of Lien shall secure all unpaid assessments, interest, costs and attorneys' fees which are due and which may accrue subsequent to the recording of the Claim of Lien and prior to the entry of a Final Judgment of Foreclosure. Such Claim of Lien shall be signed and verified by an officer or agent of the Village Association. Upon full payment of all sums secured by such lien, the same shall be satisfied of record by the Village Association. Declarant, for each parcel of Land and Unit owned by it, and each Owner, by acceptance of a deed to his Land or Unit, shall be deemed to covenant and agree to pay to the Village Association: (1) annual assessments; (2) special assessments; and (3) special individual assessments. Each such assessment, together with interest, late charges, costs and reasonable attorneys' fees shall also be the personal obligation of the person(s) or entity(ies) owning such Land or Unit at the time when the assessment shall have come due. Assessments shall bear interest from the due date until paid at the maximum rate allowed by law for an individual. A late charge shall be due in the amount of Twenty-Five Dollars (\$25.00) per monthly assessment or portion thereof past due or fifty percent (50%) of the monthly assessment past

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due, whichever is greater, and the Village Association may bring an action at law against the Owner personally obligated to pay the same or an action to foreclose the lien against the Land or Unit, and there shall be added to the amount of such assessment reasonable attorneys' fees and costs incurred in collecting such assessment, and in the event that judgment shall be obtained, such judgment shall include interest on the assessment and late charges as above provided and reasonable attorneys' fees, together with the cost of the action, including attorneys' fees and costs on appeal. Liens may be foreclosed in the same manner as mortgages are foreclosed.

6.5 Subordination of Liens to Mortgages. Assessment liens shall be superior to all other liens, except tax liens and first mortgage liens in favor of Institutional Lenders or Declarant which are amortized in monthly or quarter-annual payments over a period of not less than ten (10) years. The sale or transfer of a Residential Unit, pursuant to a judgment of foreclosure or where the Institutional Lender shall take a deed in lieu of foreclosure, shall extinguish the lien of such assessments as to payments which became due and payable prior to the date of such judgment or deed in lieu of foreclosure only pursuant to superior mortgages as provided above. Such sale or transfer shall not relieve such Residential Unit from liability for any assessments thereafter becoming due, nor from the lien of any subsequent assessment.

6.6 Certificates. The Village Association shall, upon demand at any time, furnish to any Owner liable for an assessment a certificate signed by an officer of the Village Association, setting forth whether assessments have been paid. Such certificate shall be conclusive evidence of payment as to any assessment therein stated.

6.7 Declarant's Options as to Assessments. Anything herein to the contrary notwithstanding, Declarant shall have the following options so long as it shall be the Owner of any Land or Units within the Village, which options shall be exercisable in Declarant's sole and absolute discretion:

A. Pay assessments upon Land and Units owned by it; or

B. Not pay assessments on some or all of the Land or Units owned by it, and, in lieu thereof, fund any resulting deficit in the Village Association's operating expenses not produced by assessments receivable from Owners other than Declarant. For the purposes of this Section, "deficit" means the difference between: (i) actual operating expenses (excluding capital improvement costs, reserves and management fees) and (ii) the sum of all monies receivable by the Village Association (including without limitation assessments, interest, late charges, fines and incidental income) from Owners other than Declarant, together with any surplus carried forward from the preceding year(s). Declarant, from time to time and at any time, may change its election as to the above-stated options by notice to the Village Association.

ARTICLE 7
USE STANDARDS AND RESTRICTIONS

7.1 **Improvements.** All Improvements shall comply with all applicable minimum standards established by the Village Association, the CDD and zoning laws. No Improvement shall be constructed, removed, changed or installed without the Committee's prior written approval (except as hereinafter provided as to Declarant). The Committee shall control not only the initial structures and improvements, landscaping, walls and fences to be constructed, but also any additions, changes or modifications thereof on any Unit, except that all structures constructed by Declarant as well as landscaping, walls and fences installed or constructed by Declarant shall be deemed approved by the Committee. Anything herein to the contrary notwithstanding, any Owner may make alterations, changes and modifications within the interior of his Unit without obtaining the Committee's consent. The Village Association shall have the power to enact Rules and Regulations define to more specifically the provisions of this Section.

7.2 **Maintenance of Improvements.** All Improvements shall be kept in a clean, neat and attractive condition consistent with the general appearance of the Village (as more particularly set forth from time to time in the Rules and Regulations). In the event that an Owner shall fail to so maintain his Land or Unit(s), then, upon approval by two-thirds (2/3) vote of the Board and upon the continuing failure to maintain same following ten (10) days' written notice from the Village Association to the Owner, the Village Association shall have the right, through its agents, employees or designees, to enter upon the subject Unit and to repair, maintain and restore same. The sums expended by the Village Association for such repair, maintenance and restoration shall be assessed against the subject Unit as a special individual assessment. The cost of curing of such defects shall bear interest at the highest rate allowed by law for an individual from the date such costs were incurred. All of said costs, interest and fees shall be a lien upon the affected Land or Unit(s). In order to discourage Owners from abandoning their duties hereunder and additionally to reimburse the Village Association for administrative expenses incurred, the Village Association shall have the right to impose a surcharge of not more than twenty-five percent (25%) of the cost of the applicable remedial work, such surcharge to be a part of the aforesaid special individual assessment. The Village Association shall not be required to obtain bids for any of the work performed pursuant to this Section.

ARTICLE 8
PARTICULAR RESTRICTIONS, RULES AND REGULATIONS

8.1 **Applicability.** The provisions of this Article shall apply to the Village, but shall not apply to Declarant, any of its affiliates, or Builders. If requested by any interested party, Declarant shall give a written statement as to whether any particular person or entity shall be exempt from the provisions of this Article and to which Land or Units and for what period of time such exemption shall exist. The Board may adopt such additional use restrictions, rules and regulations applicable to all or any portion of the Village and may waive or modify application of existing restrictions, rules and regulations as the Board, in its sole and absolute discretion, shall deem appropriate.

8.2 Use of Residential Land. No Improvement on Residential Land shall be used for any purpose other than residential; provided however that temporary uses by Declarant, its affiliates and designees for model homes, sales displays, parking lots, sales offices and other offices, or any combination of such uses shall be permitted until Declarant shall determine that such use is no longer needed.

8.3 Nuisances. No noxious, offensive or unlawful activity shall be carried on within the Village nor shall anything be done in the Village which may be or may become an annoyance or nuisance to other Owners.

8.4 Temporary, Play and Auxiliary Structures. No structure of a temporary character, trailer, basement, tent, shack, shed, barn or other outbuilding shall be built, installed or used in the Village at any time. No shed or storage container shall be built, installed or used on a Unit except if located in the backyard of the Unit and if not visible from the street. No platform, doghouse, playhouse or similar structure shall be constructed in any part of the Village without the Committee's prior written approval. No outdoor clotheslines shall be permitted. No building, fence, screen enclosure, wall or other structure shall be erected or maintained, nor shall any exterior addition, change or alteration thereof be made, unless consistent with the general aesthetics of the Community and unless and until plans and specifications showing the nature, kind, shape, height, materials, color and location of the same shall have been submitted and approved in writing by the Committee. The Committee shall be permitted to employ aesthetic values in making its determinations.

8.5 Oil and Mining Operations. No oil drilling, oil development operations, oil refining or mining operations of any kind shall be permitted in the Village, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted in the Village. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted in the Village.

8.6 Livestock, Poultry and Pets. No animals, livestock or poultry of any kind shall be raised, bred or kept in the Village, except that not more than two (2) household pets may be kept provided that they not be kept, bred or maintained for any commercial purpose. "Household pets" shall mean those types of dogs, cats and other animals if expressly permitted by the Village Association, if any. Household pets also shall include fish and domestic (household-type) birds, so long as they shall be kept indoors and shall not become a source of annoyance to neighbors. Nothing herein shall be deemed to prohibit pet shops, kennels and/or stables being operated upon Commercial Land or Commercial Units within the Village.

8.7 Garbage, Refuse and Sewage Disposal. No portion of the Village shall be used or maintained as a dumping ground for rubbish. Trash and garbage shall not be kept except in sanitary containers or as required by the Village Association, the CDD or the applicable County ordinances. All equipment for the storage or disposal of such material shall be kept in clean and sanitary condition. No individual sewage disposal system shall be permitted in the Village.

8.8 Water Supply. No individual water supply system shall be permitted in the Village without the Committee's prior written approval.

8.9 Exterior Colors. The exterior colors of all Improvements shall remain the colors initially established by Declarant.

8.10 Satellite Dishes: Exterior Antennas. No satellite dishes, exterior radio antenna, television antenna, citizens band antenna or any other antenna of any type or nature shall be permitted in the Village without the Committee's prior written approval.

8.11 Motor Vehicles, Boats and Boat Trailers. No trucks, commercial vehicles, recreation vehicles, campers, derelict automobiles, boats or boat trailers may be parked in the Village, except when kept in a garage within a Unit. If such vehicle shall be parked in such garage, the garage door shall be kept closed. Anything herein to the contrary notwithstanding, commercial vehicles shall be allowed upon Commercial Land subject to the Rules and Regulations. 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 Village Association at the owner's sole expense if such vehicle shall remain in violation for a period of twenty-four (24) hours after the time a notice of violation shall have been placed on the vehicle or if such owner shall be a repeat offender. The Village Association shall not be liable to the owner of such vehicle or to any other persons or entity for trespass, conversion, damages or otherwise, nor guilty of any criminal act by reason of such towing and once the notice shall have been posted, neither its removal nor such owner's failure to receive it for any other reason shall be grounds for relief of any kind. An affidavit by the person posting the aforesaid notice stating that it was properly posted shall be conclusive evidence of proper posting.

8.12 Windows: Shutters. No Owner shall place aluminum foil on either the interior or exterior surface of any exterior window or glass door. No storm shutters shall be installed without the Committee's prior written approval, which approval shall be given if the proposed shutters shall be of the type, style and color then currently approved by the Committee and consistent with the general aesthetics of the Community.

8.13 Exterior Lighting. No Owner shall install exterior lighting (in addition to such exterior lighting as originally provided for the Unit by Declarant) without the Committee's prior written approval and consistent with the general aesthetics of the Community.

8.14 Signs. No sign of any kind shall be permitted on any Residential Land or Unit; provided, however, that when an Owner shall offer any Land or Unit for sale, one (1) "For Sale" sign shall be permitted on the Land or Unit being so offered. The size of the face of the sign shall be not larger than forty (40) square inches and the sign shall be attached to a supporting member driven into the ground not exceeding two (2) inches in diameter and not exceeding four (4) feet in height above the finished grade of the property. The signs shall, in all respects, be in accordance with rules and regulations promulgated by the Declarant. None of the foregoing restrictions shall apply to Commercial Land or

Commercial Units to the extent that signs thereon shall have been originally permitted by Declarant, such permission being subject to later modification with Declarant's approval to permit additional or different signage.

8.15 Displays. No permanent statues, artifacts, religious objects or other displays shall be permitted on the Land or on the exterior of any Unit.

8.16 Swimming Pools, Hot Tubs and Whirlpool Baths. Any and all swimming pools, hot tubs or whirlpool baths to be constructed shall be subject to the Committee's requirements, which shall include, without limitation: (a) composition shall be of material thoroughly tested and accepted by the industry for such construction; (b) the location of any swimming pool, hot tub or whirlpool bath shall be subject to the Committee's prior written approval; and (c) no screening shall stand beyond a line extended and aligned with the side walls of a Unit without the Committee's prior written approval.

8.17 Utility Connections. Building connections for all utilities, including, but not limited to water, electricity, telephone and television, shall be run underground from the proper connecting points to the Unit in a manner which shall comply with all governmental requirements.

8.18 Lakefront Property and Lake. As to all portions of any Land or Unit contiguous to the Lake, the following additional provisions shall apply:

A. No boathouse, dock, wharf, pilings or other structure of any kind shall be erected, placed, altered or maintained on the shores of Lake without Declarant's prior written approval, which approval may be withheld in Declarant's sole and absolute discretion.

B. No solid or liquid waste, litter or other materials may be discharged into the Lake.

C. Each Owner shall maintain his Land or Unit to the water line of the adjacent Lake.

D. In order to provide for uniform water vegetation control, neither this Association nor any Owner shall undertake the performance of such vegetation control.

E. No motorized boat or personal watercraft shall be operated on the Lake or Lake shore without the prior written consent of either Declarant or the CDD.

8.19 Fences. No fences shall be permitted within the Village unless installed by Declarant or a Builder during construction periods or as otherwise approved by Declarant or the Village Association.

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ARTICLE 9
COMPLIANCE AND ENFORCEMENT

9.1 **General.** Every Owner and all tenants, guests, invitees, officers, employees, contractors, subcontractors and agents thereof shall comply with this Declaration any and all Rules and Regulations enacted pursuant hereto. Failure to so comply shall subject the violator to damages, injunctive relief, or any combination thereof.

9.2 **Fines.** In addition to all other remedies, and to the maximum extent lawful, the Board, in its sole and absolute discretion, may impose a fine or fines upon an Owner ("the Alleged Violator") for failure to comply with this Declaration or with any of the Rules and Regulations, in accordance with the following procedures:

A. **Notice.** The Village Association shall notify the Alleged Violator of the infraction(s). Included in the notice shall be the date and time of a special Board meeting at which time the Alleged Violator shall be allowed to present reasons why fines should not be imposed. At least ten (10) days' notice of such meeting shall be given.

B. **Hearing.** The alleged non-compliance shall be presented to the Board after which the Board shall hear reasons as to whether the fine should be imposed. The Board's written decision shall be submitted to the Alleged Violator not later than twenty-one (21) days after the Board's meeting. The Alleged Violator shall have a right to be represented by counsel and to cross-examine witnesses. If the Board's impartiality shall be questioned by the Alleged Violator, the Board shall appoint three (3) impartial Members to a special hearing panel which shall perform the functions described in this Section.

C. **Amounts of Fines.** Upon a finding of non-compliance, the Board may impose special assessments against the Land or Unit owned by the violator(s) as follows:

(1) First non-compliance or violation: a fine not in excess of One Hundred Dollars (\$100).

(2) Second non-compliance or violation: a fine not in excess of Five Hundred Dollars (\$500).

(3) Third and subsequent non-compliance or violation or violations of a continuing nature: a fine not in excess of One Thousand Dollars (\$1,000).

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 special individual assessments subject to the provisions for the collection of assessments as set forth herein.

F. Cumulative Remedies. These fines shall not be exclusive and shall exist in addition to all other rights and remedies to which the Village Association may be otherwise legally entitled; however, any fine paid by the offending Owner shall be deducted from or offset against any damages which the Village Association may otherwise be entitled to recover by law from such Owner.

ARTICLE 10
ARCHITECTURAL CONTROL

10.1 Architectural Control Committee: Composition. The Committee shall consist of three (3) persons ("Committee Members") selected by the Board, one of whom shall be appointed Committee Chairman by the Board. The initial Committee Members shall be designated by Declarant; such initial Committee Members (and their replacements designated by Declarant) shall hold office until all Land and Units shall have been conveyed by Declarant, or sooner at Declarant's option in its sole and absolute discretion. Thereafter, each Committee Member shall be appointed by the Board and shall hold office until such time as he shall have resigned or have been removed or his successor shall have been appointed as provided herein. The Board shall have the right to remove any Committee Member at any time without cause. The Board further shall have the right to change the number of, appoint and remove all Committee Members, except those initially appointed by Declarant (and their replacements designated by Declarant) until all Land and Units shall have been conveyed by Declarant or sooner at Declarant's option.

10.2 Review of Proposed Construction. No Improvement shall be commenced, altered, removed, painted, erected or maintained in the Village, nor shall any addition, removal, change or alteration (including paint or exterior finishing) visible from the exterior of any Unit be made, nor shall any awning, canopy or shutter be attached to or placed upon outside walls or roofs of Buildings or other Improvements, until the plans and specifications showing the nature, kind, shape, height, materials and location of the same shall have been submitted to, and approved in writing by the Committee and the Declarant in accordance with the Master Declaration. This Article shall also apply to interior alterations to Commercial Units when such alterations would have an effect upon the use of the exterior portions of the applicable Commercial Unit(s) (including, without limitation, as to the use of parking spaces or facilities). The Committee shall approve proposals or plans and specifications submitted for its approval only if it shall determine that: (a) the construction, alteration, removal or addition contemplated thereby in the location(s) indicated not detrimental to the appearance of the Village as a whole; and (b) the appearance of any structure affected thereby will be in harmony with the surrounding structures and otherwise desirable. The Committee may condition its approval of proposals and plans and specifications as it shall deem appropriate, and may require submission of additional plans and specifications or other information prior to approving or disapproving material submitted. The Committee may also issue rules or guidelines setting forth procedures for the submission of plans for approval. The Committee may require such detail in plans and specifications submitted for its review as it shall proper, including, without limitation, floor plans, site plans, drainage plans, elevation drawings and descriptions or samples of exterior materials and colors. Until the Committee shall have received all

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required plans and specifications, it may postpone review of any plans submitted for approval. Upon such receipt, the Committee shall have thirty (30) days in which to accept or reject any proposed plans; if the Committee shall not reject same within such period, said plans shall be deemed approved. The Committee shall be the ultimate deciding body. All changes and alterations also shall be subject to all applicable permit requirements and to all applicable governmental laws, statutes, ordinances, rules, regulations, orders and decrees. The Committee may require the payment of fees by a party requesting its approval hereunder, such fees to be applied to Committee-related costs, expenses and salaries at the Committee's discretion. The provisions of this Article shall apply both to Land and Units, and to common areas/common elements of the Village Association.

10.3 Meetings. The Committee shall meet from time to time as necessary to perform its duties hereunder. The Committee may, from time to time, by resolution unanimously adopted in writing, designate a Committee representative (who may, but need not, be one of the Committee Members) to take any action or perform any duties for and on the Committee's behalf. In the absence of such designation, the vote of any two (2) Committee Members shall constitute a Committee act.

10.4 No Waiver of Future Approvals. The Committee's approval of any proposals or plans and specifications or drawings for any work done or proposed, or in connection with any other matter requiring the Committee's approval and consent, 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 matters whatever subsequently or additionally submitted for approval or consent.

10.5 Compensation. The Committee Members shall be entitled to receive compensation for services rendered and reimbursement for expenses incurred by them in the performance of their duties hereunder as set and determined by the Board.

10.6 Inspection of Completed Work: Corrections. Inspection of work for which plans have been approved and correction of defects therein shall proceed as follows:

A. Upon completion of work, the submitting Owner ("the Applicant") shall give written notice of completion to the Committee.

B. Within sixty (60) days thereafter, the Committee (or its agent) may inspect the work. If the Committee shall find the work not in compliance with the approved plans, it shall notify the Applicant in writing within such 60-day period and shall require corrections for compliance. The Committee's failure to notify the Applicant of any non-compliance within the 60-day period after receipt of written notice of completion shall be deemed an approval of the work.

C. If the Applicant shall not have corrected the noncompliance within thirty (30) days after the date of notification, the Committee shall notify the Board of such failure. The Board, at its option, shall

