

HOMEOWNERS ASSOCIATION AND OTHER DOCUMENTS

VALENCIA RIDGE

TABLE OF CONTENTS

- Declaration of Covenants, Restrictions and Easements for Valencia Ridge recorded April 15, 2024 in Official Records Book 10992, at Page 335 of the Public Records of Pasco County.
 - Exhibit A Legal Description of Property
 - Exhibit B Articles of Incorporation of Valencia Ridge Homeowners Association, Inc.
 - Exhibit C Bylaws of Valencia Ridge Homeowners Association, Inc.
- 2. Rules and Regulations of Valencia Ridge Homeowners Association, Inc.
- 3. Valencia Ridge Recreation Amenities Release and Waiver
- 4. Estimated Operating Budget of Valencia Ridge Homeowners Association, Inc.
- 5. Estimated Full Build-Out Operating Budget of Valencia Ridge Homeowners Association, Inc.
- 6. Escrow Agreement
- 7. Dwelling Warranty
- 8. Informational Brochure Regarding Energy Efficiency
- 9. U.S. CPSC Safety Barrier Guidelines for Residential Pools
- 10. Customer Code of Conduct
- 11. Receipt for Documents

This Instrument Prepared By And After Recording Should Be Returned To:

Pasco County Associates I, LLLP 1600 Sawgrass Corporate Parkway, Suite 400 Sunrise, Florida 33323 Attn: Steven M. Helfman, Esq. 149/2

SPACE ABOVE THIS LINE FOR PROCESSING DATA

DECLARATION OF COVENANTS, RESTRICTIONS AND EASEMENTS FOR



TABLE OF CONTENTS

DEFINITIONS	
ADDITIONAL PROPERTY	1
AMENDMENTS	2
ARTICLES	2
ASSOCIATION	2
ASSOCIATION PROPERTY	2
BYLAWS	3
CDD or COMMUNITY DEVELOPMENT DISTRICT	3
COMMUNITY	3
	ADDITIONAL PROPERTY AMENDMENTS. ARCHITECTURAL CONTROL COMMITTEE or COMMITTEE ARTICLES. ASSESSMENTS ASSOCIATION ASSOCIATION BYLAWS. CDD or COMMUNITY DEVELOPMENT DISTRICT CDD PROPERTY COMMUNITY. COMMUNITY. COMMUNITY. COMMUNITY SYSTEMS. COMPLETED LOT. COMPLETED LOT CONSERVATION AREAS. COUNTY DECLARANT DECLARANT DECLARANT DECLARANTODECLARANTIES. DECLARATION DIRECTOR. DRAINAGE SYSTEM EFFECTIVE DATE. GOVERNING DOCUMENTS. GOVERNMENTAL AUTHORITY. HOA ACT. HOME. INSTITUTIONAL MORTGAGEE or INSTITUTIONAL LENDER INSTITUTIONAL MORTGAGEE or INSTITUTIONAL LENDER INTEREST. IRRIGATION SYSTEM LAKE SANK. LAKE SANK. LAKE SANK. LAKE SANK. LAKE SANK. LAKE SANK. LAKE LOT.

Section 52. Section 53.	WATER MANAGEMENT DISTRICTWATER MANAGEMENT DISTRICT PERMIT	
ARTICLE II	DESCRIPTION OF THE COMMUNITY	
Section 1.	GENERAL PLAN OF DEVELOPMENT	
Section 2.	ASSOCIATION PROPERTY	
Section 3.	LAKES AND LAKE LOTS	
Section 4.	COSTS	
Section 5.	PRIVATE USE	
Section 6.	MODEL ROW	
Section 7.	COMMUNITY SYSTEMS	
Section 8.	PARKING RIGHTS	
ARTICLE III	COMMUNITY DEVELOPMENT DISTRICT	
Section 1.	COMMUNITY DEVELOPMENT DISTRICT	
Section 1.	CDD TAXES, ASSESSMENTS AND OTHER CHARGES	
Section 2.	CDD PROPERTY; MAINTENANCE AND REPAIR OBLIGATIONS	
Section 4.	MAINTENANCE AGREEMENTS	
ARTICLE IV	ADDITIONS TO AND WITHDRAWALS FROM THE PROPERTY; CONVEYANCE OF ASSOCIATION	23
ANTICLLIV	PROPERTY	25
Section 1.	ADDITIONS	
Section 2.	DESIGNATION OF ADDITIONAL ASSOCIATION PROPERTY	
Section 3.	DISCLAIMER OF IMPLICATION	
Section 4.	ABSENCE OF OBLIGATION	
Section 5.	WITHDRAWAL	
Section 6.	TITLE TO THE ASSOCIATION PROPERTY	
ARTICLE V	OWNERS' PROPERTY RIGHTS; EASEMENTS	
Section 1.	OWNERS' EASEMENTS OF ENJOYMENT	
Section 2.	DELEGATION OF USE	
Section 3.	RECOGNITION OF EASEMENTS	
Section 4.	EASEMENTS FOR VEHICULAR TRAFFIC	33
Section 5.	ACCESS EASEMENT	
Section 6.	GRANT AND RESERVATION OF EASEMENTS	
Section 7.	EASEMENT FOR COMMUNITY SYSTEMS	
Section 8.	ASSIGNMENTS; ADDITIONAL EASEMENTS	
ARTICLE VI	MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION; BOARD; DURATION OF THE ASSOCIATION	20
Section 1.	MEMBERSHIP AND VOTING RIGHTS	
Section 2.	BOARD	
Section 3.	DURATION OF ASSOCIATION	
ARTICLE VII	COVENANT TO PAY ASSESSMENTS; ESTABLISHMENT OF LIENS; COLLECTION OF ASSESSMENTS	
	COLLECTION BY DECLARANT; CERTAIN RIGHTS OF DECLARANT AND INSTITUTIONAL MORTGA	GEES
Section 1.	AFFIRMATIVE COVENANT TO PAY ASSESSMENTS	
Section 2.	ESTABLISHMENT OF LIENS	
Section 3.	COLLECTION OF ASSESSMENTS	
Section 4.	CURING OF DEFAULT	
Section 5.	CUMULATIVE REMEDIES	
Section 6.	COLLECTION BY DECLARANT	43
Section 7.	RIGHTS OF DECLARANT AND INSTITUTIONAL MORTGAGEES TO PAY ASSESSMENTS AND RECEIREIMBURSEMENT	IVE
Section 8.	COMMUNITY SYSTEMS SERVICES	
Section 9.	VENDOR CHARGES	
ARTICLE VIII	METHOD OF DETERMINING ASSESSMENTS AND ALLOCATION OF ASSESSMENTS	
Section 1.	DETERMINING AMOUNTS OF ASSESSMENTS	45 45
ひししいひけま	VETERITORIA MINUSULLA VI MAJEJANICI I I A	47

Section 2.	ASSESSMENT PAYMENTS	
Section 3.	SPECIAL ASSESSMENTS	47
Section 4.	LIABILITY OF OWNERS FOR ASSESSMENTS	48
Section 5.	ASSESSMENTS PAYABLE BY DECLARANT	48
Section 6.	DEFICIT FUNDING	49
Section 7.	VOLUNTARY CONTRIBUTION	49
Section 8.	DECLARANT'S GUARANTEED ASSESSMENT NOT THE OBLIGATION OF INSTITUTIONAL	
	MORTGAGEES	
Section 9.	WAIVER OF USE	50
ARTICLE IX	ARCHITECTURAL CONTROL COMMITTEE	50
Section 1.	MEMBERS OF THE COMMITTEE	
Section 2.	REVIEW OF PROPOSED CONSTRUCTION	
Section 3.	COMMUNITY STANDARD	
Section 4.	NO WAIVER OF FUTURE APPROVALS	
Section 5.	VARIANCES	55
Section 6.	SECURITY DEPOSIT FOR IMPROVEMENTS; INDEMNIFICATION	55
Section 7.	INSPECTION OF WORK	57
Section 8.	MEETINGS OF THE COMMITTEE	57
Section 9.	QUORUM	58
Section 10.	COMPENSATION OF MEMBERS	58
Section 11.	NON-LIABILITY OF COMMITTEE MEMBERS	58
Section 12.	PERMITS AND GOVERNMENTAL APPROVALS	58
Section 13.	DECLARANT EXEMPTION	59
ARTICLE X	MAINTENANCE AND REPAIR OBLIGATIONS	59
Section 1.	BY THE ASSOCIATION	
Section 2.	BY THE OWNERS	
Section 3.	DAMAGE TO BUILDINGS; HOME REPAIRS AFTER CASUALTY	
ARTICLE XI	USE RESTRICTIONS	
Section 1.	ENFORCEMENT	
Section 2.	OCCUPANCY OF HOME.	
Section 3.	NUISANCES	
Section 4.	PARKING AND VEHICULAR RESTRICTIONS	
Section 5.	NO IMPROPER USE	
Section 6.	LEASES	
Section 7.	ANIMALS AND PETS	
Section 7.	ADDITIONS AND ALTERATIONS.	
Section 9.	INCREASE IN INSURANCE RATES; CANCELLATION OF POLICY	
Section 10.	EMERGENCIES	
Section 11.	SLOPES AND TREES	
Section 12.	SIGNS	
Section 13.	TRASH AND OTHER MATERIALS	
Section 14.	TEMPORARY STRUCTURES	
Section 15.	OIL AND MINING OPERATIONS.	
Section 16.	SEWAGE DISPOSAL	
Section 17.	WATER SUPPLY	
Section 18.	FENCES	
Section 19.	ANTENNAE	
Section 20.	CONSERVATION AREAS	
Section 21.	IMPROPER USE OF ASSOCIATION RECORDS, DIRECTORIES AND COMMUNICATIONS	
Section 22.	UNMANNED AERIAL VEHICLES	
Section 23.	DECLARANT EXEMPTION	
ARTICLE XII	SALES, LEASES AND CONVEYANCES	
ARTICLE XII		
AD 11/1 E VIII	DANGALE OF DESIGNATION TO ASSOCIATION DECIDED TO COMPENSATION	0.5

ARTICLE XIV	INSURANCE	87
Section 1.	CASUALTY INSURANCE	87
Section 2.	PUBLIC LIABILITY INSURANCE	
Section 3.	FIDELITY COVERAGE	
Section 4.	DIRECTORS' COVERAGE	
Section 5.	OTHER INSURANCE	
Section 6.	CANCELLATION OR MODIFICATION	88
Section 7.	FLOOD INSURANCE	88
Section 8.	WAIVER OF SUBROGATION	88
Section 9.	INDIVIDUAL INSURANCE	88
ARTICLE XV	GENERAL AND OTHER PROVISIONS	
Section 1.	CONFLICT WITH OTHER GOVERNING DOCUMENTS	88
Section 2.	NOTICES	89
Section 3.	ENFORCEMENT	89
Section 4.	INTERPRETATION	89
Section 5.	SEVERABILITY	
Section 6.	CERTAIN RIGHTS OF DECLARANT; COMMUNITY APPROVALS	90
Section 7.	DISPUTES AS TO USE	
Section 8.	AMENDMENT AND MODIFICATION	92
Section 9.	DELEGATION	
Section 10.	TERM	94
Section 11.	RIGHTS OF MORTGAGEES	94
Section 12.	APPROVAL OF ASSOCIATION LAWSUITS BY OWNERS	
Section 13.	COMPLIANCE WITH PROVISIONS	96
Section 14.	NOTICE OF CONSTRUCTION ACTIVITIES IN THE COMMUNITY; ASSUMPTION OF RISK; AND	
	HARMLESS	
Section 15.	SECURITY	
Section 16.	COVENANT RUNNING WITH THE LAND	
Section 17.	NO PUBLIC RIGHT OR DEDICATION	
Section 18.	NO REPRESENTATIONS OR WARRANTIES	
Section 19.	RECLAIMED WATER	
Section 20.	SURROUNDING USES	
Section 21.	PUBLIC THOROUGHFARES	
Section 22.	NATURAL CONDITIONS, WILDLIFE	
Section 23.	NO PARTITION	
Section 24.	VENUE	
Section 25.	CERTAIN RESERVED RIGHTS OF DECLARANT WITH RESPECT TO COMMUNITY SYSTEMS	
Section 26.	USE OF NAME AND SERVICE AND TRADEMARKS	
Section 27.	CONSENT AND RELEASE FOR USE OF LIKENESS	
Section 28.	ASSOCIATION AND DECLARANT AS ATTORNEY-IN-FACT	104
Section 29.	DECLARANT'S RESERVATION OF RIGHTS	105

DECLARATION OF COVENANTS, RESTRICTIONS AND EASEMENTS FOR VALENCIA RIDGE

THIS DECLARATION OF COVENANTS, RESTRICTIONS AND EASEMENTS FOR VALENCIA RIDGE (the "Declaration") is made as of the Effective Date (as hereinafter defined) by PASCO COUNTY ASSOCIATES I, LLLP, a Florida limited liability limited partnership, its successors and assigns (the "Declarant"), and is joined in by VALENCIA RIDGE HOMEOWNERS ASSOCIATION, INC., a Florida not for profit corporation (the "Association").

RECITALS:

WHEREAS, Declarant desires to develop the Community (as hereinafter defined), to be known as "Valencia Ridge", on certain real property more particularly described on Exhibit "A" attached hereto and made a part hereof (the "Property");

WHEREAS, in order to develop and maintain the Community as a planned community and to preserve the values and amenities of such community, it is necessary to declare, commit and subject the Property and the improvements now and hereafter constructed thereon to certain covenants, restrictions, easements, reservations, conditions, limitations, rules, regulations, charges, burdens and liens, and to delegate and assign to the Association certain powers and duties of ownership, administration, operation, maintenance and enforcement; and

WHEREAS, the Association is joining in this Declaration in order to acknowledge and agree to its duties, responsibilities and obligations hereunder.

NOW, THEREFORE, in consideration of the promises and covenants herein contained, Declarant hereby declares that the Property shall be owned, held, used, transferred, sold, conveyed, demised, managed and occupied subject to the covenants, restrictions, easements, reservations, conditions, limitations, rules, regulations, charges, burdens and liens hereinafter set forth, all of which shall run with the Property and any part thereof and which shall be binding upon all parties having any right, title or interest in the Property or any part thereof, and their respective heirs, successors and assigns.

ARTICLE I DEFINITIONS

The initial capitalized terms used in this Declaration shall be defined as set forth in this Article I unless expressly provided otherwise.

Section 1. "ADDITIONAL PROPERTY" shall mean any real property (other than the Property) that may be submitted by Declarant to the terms and provisions of this Declaration by a Supplemental Declaration which shall be executed by the owner of the Additional Property and need not be joined in by any other person or Owner. No portion of any Additional Property shall be encumbered by this Declaration unless and until such property is added by a Supplemental Declaration executed by the fee owner thereof and Declarant. In the event any Additional

Property becomes encumbered by this Declaration, then, and only then in such event, the term "Property" as used herein shall also mean and be inclusive of the Additional Property.

Section 2. "AMENDMENTS" shall mean any and all written and recorded amendments to this Declaration, all of which shall be consecutively numbered beginning with the "First Amendment to the Declaration of Covenants, Restrictions and Easements for Valencia Ridge" and each of which shall be properly adopted pursuant to the terms of the Governing Documents and recorded in the Public Records; provided, however, the failure to so consecutively number or otherwise title such amendments shall not impair their validity hereunder and such amendments to the extent not otherwise numbered will be deemed to have been numbered in chronological order of their having been recorded in the Public Records. "Amendments" shall also mean any and all amendments to any Supplemental Declaration, as recorded in the Public Records.

<u>Section 3.</u> "ARCHITECTURAL CONTROL COMMITTEE" or "COMMITTEE" shall mean the committee created pursuant to Article IX below.

<u>Section 4.</u> "ARTICLES" shall mean the Articles of Incorporation of the Association which have been filed in the Office of the Secretary of State of the State of Florida on September 8, 2022, a true copy of which is attached hereto as Exhibit "B" and made a part hereof, as such Articles may be amended from time to time.

<u>Section 5.</u> "ASSESSMENTS" shall mean assessments for which all Owners are obligated to pay to the Association and includes "Individual Lot Assessments," "Special Service Assessments" and "Special Assessments" (as such terms are defined in Article VIII below) and any and all other assessments and monetary fines and charges which are or may be levied by the Association in accordance with the Governing Documents.

<u>Section 6.</u> "ASSOCIATION" shall mean VALENCIA RIDGE HOMEOWNERS ASSOCIATION, INC., a Florida not for profit corporation (formerly known as Sterling Ridge Homeowners Association, Inc.), its successors and assigns, existing pursuant to the Articles, which Association is responsible for the ownership, administration, operation, management, maintenance, preservation, enforcement and architectural control of the Community as provided in this Declaration.

"ASSOCIATION PROPERTY" shall mean such portions of the Property which are not included in any Lot and which are or shall be: (a) owned or maintained by the Association, as set forth in this Declaration, (b) indicated on the Plats as "Association Property" for the common use and enjoyment of the Owners within the Community, and/or (c) dedicated to or reserved for the Association on the Plats. Association Property also includes all landscaping, personal property, equipment and any other Improvements thereon, including, without limitation, all of the following, only if and to the extent located therein or thereon: the gatehouse, entranceways and entrance features, including, without limitation, gates, and entry and other lighting; the Recreation Tract (as defined and more particularly described in Article II, Section 2.A below); the Lakes (as hereinafter defined); wetlands; littoral plantings; buffer tracts; private streets; street signs (including, without limitation, decorative or directional signs); bridges; bike paths;

sidewalks; pathways; the Drainage System (as hereinafter defined), the Irrigation System (as hereinafter defined); the Open Space Areas (as defined and more particularly described in Article II, Section 2.D below); Street Lights (as defined and more particularly described in Article II, Section 2.E below) and Decorative Street Lights (as defined and more particularly described in Article II, Section 2.F below); the Conservation Areas (as hereinafter defined); perimeter berms, fences and walls; monument walls and signs; site walls and retaining walls; and fountains. Association Property shall also include: (a) interests acquired by the Association in the form of easements, licenses and/or other agreements, and (b) such portions of the Property as are declared to be Association Property in any Supplemental Declaration. Association Property, (ii) all portions of the Property dedicated to the public by the Plats, (iii) all portions of any Community Systems (as hereinafter defined) not made Association Property pursuant to Article II, Section 7 below, (iv) any property of Declarant not intended to be made Association Property, and (v) all portions of the Property which are declared to be withdrawn from the provisions of this Declaration in any Supplemental Declaration.

<u>Section 8.</u> "BOARD" shall mean the board of directors or other legally recognized governing body of the Association.

<u>Section 9.</u> "BYLAWS" shall mean the Bylaws of the Association, which have been or will be adopted by the Board, a copy of which is attached hereto as Exhibit "C" and made a part hereof, as such Bylaws may be amended from time to time.

<u>Section 10.</u> "CDD" or "Community Development District" shall mean the Community Development District, an independent unit of local government created pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended, any successor statute thereto, the Florida Constitution, and other applicable provisions of law, and/or any successor or assign of the CDD. The Community is or will be located within the boundaries of the CDD.

<u>Section 11.</u> "CDD PROPERTY" shall mean all real property and improvements, as well as easements, within the Community that the CDD owns, leases, or otherwise has the right to use, possess, operate, maintain, repair and/or replace, whether such property, improvements and/or easements are conveyed to the CDD by deed or bill of sale, dedicated by Plat, or made pursuant to written agreement entered into by the CDD. CDD Property may also include portions of the Association Property whether the fee title thereto is transferred to the CDD or the CDD takes on any of such responsibilities by easement or other agreement.

<u>Section 12.</u> "COMMUNITY" shall mean the planned development located in the County which encompasses the Property and is presently intended to consist of Homes and Association Property. The Community will initially consist of the Property and may be expanded to include Additional Property or reduced by withdrawal of property, all by the recording of one or more Supplemental Declarations.

Section 13. "COMMUNITY SYSTEMS" shall mean any and all wired and/or wireless television systems (cable, satellite or otherwise), telecommunication systems, broadband and/or internet access systems (whether wired or wireless), and alarm monitoring systems; together with all utility or other lines, conduits, wires, satellites, amplifiers, towers, antennae, equipment, materials, installations and fixtures (including those based on, containing or serving future technological advances not now known) used for or relating to such systems; all as installed by Declarant, an affiliate of Declarant, any other entity in which Declarant or an affiliate of Declarant may have an interest (financial or otherwise), or any third party expressly granted the rights by Declarant or Association to provide Community Systems within the Property, or pursuant to any grant of easement or authority by Declarant or Association and serving the Association Property and/or more than one (1) Lot.

<u>Section 14.</u> "COMPLETED LOT" shall mean a Lot on which the construction of a Home has been completed, for which Home a certificate of occupancy or equivalent therefor has been issued by the applicable Governmental Authority (as hereinafter defined), and the fee title to such Lot has been conveyed to an Owner by Declarant.

Section 15. "COMPLETED LOT OWNER" shall mean the Owner of a Completed Lot.

<u>Section 16.</u> "CONSERVATION AREAS" shall mean those areas of the Property designated as wetland conservation areas, wetland mitigation areas, conservation areas and/or preservation areas on the Plats and/or in any of the governmental permits or approvals for the Property.

Section 17. "COUNTY" shall mean Pasco County, Florida.

Section 18. "DECLARANT" shall mean Pasco County Associates I, LLLP, a Florida limited liability limited partnership, and any successor or assign thereof to which Pasco County Associates I, LLLP, specifically assigns (on an exclusive or non-exclusive basis) all or part of the rights and/or obligations of Declarant hereunder by an express written assignment, whether recorded in the Public Records or not. The written assignment may give notice as to, among other things, which rights of Declarant are to be exercised and/or obligations assumed, and as to which portion of the Property. In any event, any subsequent Declarant shall not be liable for any default or obligations incurred by any prior Declarant, except as may be expressly assumed by the subsequent Declarant. An Owner shall not, solely by the purchase of a Home and/or Lot, be deemed a successor or assign of Declarant under the Governing Documents unless such Owner is specifically so designated as a successor or assign of such rights in the instrument of conveyance or any other instrument executed by Declarant. Whether or not specifically stated, a predecessor Declarant shall be afforded the same protection with respect to matters arising during its tenure as Declarant as the predecessor Declarant would have if it were still Declarant.

<u>Section 19.</u> "DECLARANT PARTIES" shall mean Declarant and Declarant's partners, and each of their respective partners, shareholders, directors, members, managers, officers, employees, agents, affiliates, successors and assigns.

<u>Section 20.</u> "DECLARATION" shall mean this instrument as it may be amended in writing from time to time, together with any Supplemental Declarations or Amendments thereto, which may be recorded amongst the Public Records.

Section 21. "DIRECTOR" shall mean a member of the Board.

Section 22. "DRAINAGE SYSTEM" shall mean the surface water management system, facilities, and related equipment (including, without limitation, all inlets, ditches, swales, slopes, pipes, culverts, drains, headwalls, water control structures, catch basins, retention and detention areas, ponds, lakes, floodplain compensation areas, wetlands, and any associated buffer areas and wetland mitigation areas) which are designed, constructed and installed to, among other things, collect and convey surface and rainwater runoff from the Community to the water management tracts (i.e., the Lakes) within the Property, and to also control the discharge of water from the Lakes into nearby canals, or vice-versa, all as required or permitted by the Water Management District Permit (as hereinafter defined). The Drainage System is located upon and designed to serve the Property and certain off-site roadways and properties as further described in Article II, Section 2.I below. Except as set forth in this Declaration or any Plat, the Drainage System is a private drainage system.

<u>Section 23.</u> "EFFECTIVE DATE" shall mean the date that this Declaration is recorded in the Public Records.

<u>Section 24.</u> "GOVERNING DOCUMENTS" shall mean, in the aggregate, this Declaration, the Articles, the Bylaws, the Rules and Regulations, and all of the instruments and documents referred to herein and therein, including, but not limited to, any Amendments and Supplemental Declarations, all as may be amended and/or supplemented from time to time.

<u>Section 25.</u> "GOVERNMENTAL AUTHORITY" shall mean, as applicable, the County, the Water Management District, CDD and all other federal, state or County governmental or quasi-governmental agencies, authorities, bureaus, departments, commissions and the like having jurisdiction over the Community.

<u>Section 26.</u> "HOA ACT" shall mean the Homeowners' Association Act, Chapter 720, Florida Statutes, and (unless the context otherwise requires) the Florida Not for Profit Corporation Act, Chapter 617, Florida Statutes, each in effect and as same exists on the Effective Date and notwithstanding any subsequent amendment, restatement and/or recodification thereof (or any portion thereof) from time to time.

Section 27. "HOME" shall mean a residential dwelling unit constructed within the Community, which is designed and intended for use and occupancy as a single-family residence for which a certificate of occupancy has been issued by the applicable Governmental Authority; provided, however, that no portion of any Community System, even if installed in a Home, shall be deemed to be a part of a Home unless and until such Community System (or portion thereof) is made a

part of a Home pursuant to the terms of this Declaration, if at all. Upon completion of construction of a Home on a Lot, the Lot and the Improvements thereon are sometimes collectively referred to as a Home in this Declaration and the other Governing Documents.

Section 28. "IMPROVEMENT" shall mean all structures or artificially created conditions and appurtenances thereto of every type and kind whatsoever located within the Community, including, but not limited to, buildings, structures, fixtures, walkways, recreation areas and facilities, parking areas, berms, fountains, the Irrigation System, the Drainage System, the gatehouse, Streets, Drives, Roads, Roadways, driveways, fences, screening and retaining walls, underground footers and other foundation supports, stairs, decks, landscaping, trees, hedges, shrubs and other plantings, antennae, satellite dishes, poles, swings, gym sets and play structures, trampolines, tennis courts, pickleball courts, bocce ball courts, swimming pools, spas, covered patios, screen enclosures, jogging, bicycling and walking paths, basketball courts, backboards and hoops, signs, site and perimeter walls, gazebos, benches, mailboxes, Street Lights and Decorative Street Lights.

Section 29. "INCOMPLETE LOT" shall mean a Lot which is not a Completed Lot.

<u>Section 30.</u> "INCOMPLETE LOT OWNER" shall mean the Owner of an Incomplete Lot.

<u>Section 31.</u> "INSTITUTIONAL MORTGAGE" shall mean a mortgage held by an Institutional Mortgagee on any property within the Community.

"INSTITUTIONAL MORTGAGEE" or "INSTITUTIONAL LENDER" shall mean any Section 32. lending institution owning a first mortgage encumbering any Home or Lot within the Community, which owner and holder of said mortgage shall either be: a bank, life insurance company, federal or state savings and loan association, real estate or mortgage investment trust, building and loan association, mortgage banking company licensed to do business in the State of Florida, or any subsidiary thereof, licensed or qualified to make mortgage loans in the State of Florida; or a national banking association chartered under the Laws; or any "secondary mortgage market institution," including the Federal National Mortgage Association, Government National Mortgage Association, Federal Home Loan Mortgage Corporation and such other secondary mortgage market institutions as the Board shall hereafter approve in writing; any and all lenders, and the successors and assigns of such lenders, which have loaned money to Declarant or another Owner, and which hold a mortgage on any portion of the Property securing any such loan; any pension or profit-sharing funds qualified under the Internal Revenue Code; the Veterans Administration, the Federal Housing Administration or the Department of Housing and Urban Development or such other lender as is generally recognized in the community as an institutional lender; or Declarant, its successors and assigns.

<u>Section 33.</u> "INTEREST" shall mean the maximum non-usurious interest rate allowable by Law, as amended from time to time, on the subject debt or obligation, and if no such rate is designated by Law, then eighteen percent (18%) per annum, or a lesser interest rate if so decided by the Board.

<u>Section 34.</u> "IRRIGATION SYSTEM" shall mean one or more irrigation systems for the Association Property and/or any or all of the Lots within the Community. The Irrigation System may be connected to the Lakes as a source of water for the Irrigation System and is designed to use reclaimed water and lake water as described in Article XV, Section 19 below.

<u>Section 35.</u> "LAKES" shall mean those portions of the Property designated on the Plats as lakes, lake tracts or storm water management tracts.

<u>Section 36.</u> "LAKE BANK" shall mean the portion of a Lake from the water's edge of such Lake (as such water's edge may change from time to time) up to the outside perimeter line of the "Lake Maintenance Easement" (as defined and more particularly described in Article II, Section 3 below) of such Lake.

Section 37. "LAKE LOT" shall mean a Lot within the Community abutting one of the Lakes.

<u>Section 38.</u> "LAWS" shall mean all applicable federal, state and local laws, statutes, codes, ordinances, rules, regulations, requirements, restrictions, orders (including, without limitation, development orders), and rulings imposed or binding upon the Community.

Section 39. "LEGAL FEES" shall mean reasonable fees for attorney and paralegal services and all costs and court costs up to and through and including all trial, appellate and post-judgment levels and proceedings incurred in connection with the negotiation and preparation for mediation, arbitration and/or litigation, whether or not an action is actually begun including, without limitation, with respect to the preparation of notices and liens, the collection of past due Assessments, and the enforcement of the Governing Documents. Legal Fees shall also include: (a) pre-litigation attorneys' fees and costs incurred by the Association in enforcing the Governing Documents, and (b) all reasonable fees for attorney and paralegal services and all costs and court costs incurred in enforcing and exercising the right to collect all such Legal Fees incurred by the Association.

Section 40. "LOT" shall mean any parcel of land within the Community as shown on the Plats, upon which a Home is permitted to be constructed, together with the Improvements thereon, and any portion of the Property within the Community that is declared to be a Lot by a Supplemental Declaration and is not subsequently withdrawn from the provisions of this Declaration by a Supplemental Declaration; provided, however, that no portion of any Community System shall be deemed to be part of a Lot unless and until such Community System (or portion thereof) is made a part of a Lot pursuant to the terms of this Declaration, if at all. For purposes of Individual Lot Assessments, a Lot is either a Completed Lot or an Incomplete Lot. Upon completion of construction of a Home on a Lot evidenced by the issuance of a final certificate of occupancy, such Lot and Home are sometimes collectively referred to as a Lot in this Declaration and the Governing Documents.

<u>Section 41.</u> "MEMBERS" shall mean all of the Owners who are also members of the Association, as provided in the Governing Documents.

<u>Section 42.</u> "NOTICE AND HEARING" shall mean written notice and a public hearing before the Board or Sanction Review Committee (as defined in Article XI, Section 1.A below) at which the Owner concerned shall have an opportunity to be heard in person or by counsel, at Owner's expense, in the manner set forth in Article XI below. In that regard, Owner shall have the right, but not the obligation, to have legal counsel of Owner's choice present at such hearing at Owner's expense.

<u>Section 43.</u> "OCCUPANT" shall mean a family member, guest, or invitee of an Owner, for any period of time, including any tenant or licensee residing in a Home. For purposes of determining who is an Occupant, neither Declarant nor the Owner or family member of Owner, of an Incomplete Lot shall be deemed to be an Occupant. Other than invitees of Declarant, the Board shall have the authority to limit and/or prohibit certain invitees from the use and/or enjoyment of the Association Property (or any portions thereof).

Section 44. "OPERATING EXPENSES" shall mean the expenses for which Owners are liable to the Association as described in this Declaration and any other Governing Documents and include, but are not limited to: (a) all fees, costs, expenses and other sums incurred by the Association in owning, administering, operating, managing, maintaining, financing, repairing and/or replacing (but not improving) the Association Property, any portion thereof and the Improvements thereon and/or all other property owned by the Association (including, without limitation, the Drainage System and the Irrigation System), (b) all fees, costs, expenses and other sums described as Operating Expenses in the Governing Documents including, without limitation, in Article VII, Section 1 below, and (c) all fees, costs, expenses and other sums incurred by the Association in carrying out its powers, duties and obligations hereunder or under any other Governing Documents.

<u>Section 45.</u> "OWNER" shall mean the record owner, whether one or more persons or entities, of the fee simple title to any Lot within the Community, and includes Declarant for as long as Declarant owns fee simple title to a Lot, but excluding therefrom those having such interest as security for the performance of an obligation.

<u>Section 46.</u> "PLATS" shall mean the one or more plats of the Property recorded or to be recorded in the Public Records, as well as all replats, if any, of all or any portion of the Property comprising the Community.

Section 47. "PROPERTY" shall initially mean only that certain real property described in Exhibit "A" attached hereto and made a part hereof, less and except any portion thereof dedicated or conveyed to a Governmental Authority, and thereafter, as applicable, to such additions thereto as may hereafter be brought within the jurisdiction of this Declaration and/or the Association; provided, however, Declarant reserves the right to withdraw from the provisions hereof, such

portion or portions of the Property as Declarant from time to time elects, upon the execution by Declarant of a Supplemental Declaration.

<u>Section 48.</u> "PUBLIC RECORDS" shall mean the Public Records of the County.

<u>Section 49.</u> "RULES AND REGULATIONS" shall mean the duly adopted rules and regulations of the Association, as same may be amended, substituted and/or repealed from time to time.

Section 50. "SUPPLEMENTAL DECLARATION" shall mean any instrument executed by Declarant which, when recorded in the Public Records, shall: (a) commit Additional Property, if any to the provisions of this Declaration, and shall be the only method of committing such property to the provisions of this Declaration, (b) withdraw any portions of the Property from the lien and effect of this Declaration including, without limitation, any portions of the Property conveyed to the CDD in accordance with Article III, (c) designate portions of the Property or Additional Property to be or not to be Association Property hereunder, and/or (d) be for such other purposes as are provided in this Declaration. A Supplemental Declaration may also be used to impose additional covenants, restrictions, easements, reservations, conditions, limitations, rules, regulations, charges, burdens and liens upon the Property or any portion thereof and/or remove any of same. The Association shall join in the execution of any Supplemental Declaration at the request of Declarant, but such joinder shall not be required to make any such Supplemental Declaration effective. The Owners shall not be required to join in the execution of any Supplemental Declaration but shall nevertheless be bound thereby.

<u>Section 51.</u> "TURNOVER DATE" shall mean the date upon which "Class A Members" (as defined in the Articles) shall assume control of the Association and elect a majority of the Board, as more particularly described in the Articles.

<u>Section 52.</u> "WATER MANAGEMENT DISTRICT" shall mean the Southwest Florida Water Management District, a regional water management district established in accordance with Florida Law, and any successor, Governmental Authority, body or special district charged with the rights and responsibilities of the Water Management District.

<u>Section 53.</u> "WATER MANAGEMENT DISTRICT PERMIT" shall mean those certain environmental resource permits for the Community issued or to be issued by the Water Management District, including, without limitation, permits issued under Permit Numbers 43019237.033 and 43019237.34, all as may be amended, modified and/or supplemented from time to time.

ARTICLE II DESCRIPTION OF THE COMMUNITY

<u>Section 1.</u> <u>GENERAL PLAN OF DEVELOPMENT</u>. The Community comprises the Property encompassing, or which will encompass, Homes and other Improvements, Lots and Association Property, all as more particularly defined by this Declaration and, in addition, lands which

Declarant may add, but shall in no way be obligated to add, by one or more Supplemental Declarations. The Property initially declared hereunder is described in Exhibit "A" attached hereto. Notwithstanding the foregoing, however, Declarant reserves the right to: (a) modify its plan of development of the Community (including, without limitation, the right to modify the site plan and/or master plan of the Community); (b) supplement, change or reduce the recreational and other facilities and/or amenities; (c) change and/or reduce the number of Homes and Home product types to be constructed within the Community; and (d) add land to the Community and/or withdraw land from the Community; all in Declarant's sole and absolute discretion. Therefore, in the event Declarant modifies its plan of development of the Community, adds land to the Community and/or withdraws land from the Community, in any of such events: (i) the number of Lots, the layout of Lots, the types of Lots and/or the size of Lots within the Community may change, (ii) the size and configuration of parcels and roads within the Community may change, and (iii) the Assessments required to be paid pursuant to this Declaration may increase or decrease as applicable. Declarant's general plan of development further contemplates that such Homes shall be whatever types of structures Declarant may choose from time to time which are in conformance with this Declaration. Declarant's general plan of development of the Community may also include whatever facilities and amenities Declarant considers in its sole and absolute discretion to be appropriate for the Community, as well as any changes thereto.

The Association is intended to be a "Homeowners Association," governed by and subject to the HOA Act, but is not in any fashion subject to or affected by the provisions of Florida's Condominium Act, Chapter 718, Florida Statues, including any aspect of regulating condominium associations. Further, the express intent of this Declaration is that the substantive rights, duties and/or obligations under and pursuant to this Declaration shall not be retroactively affected by legislation enacted subsequent to the date of the execution of this Declaration, unless specifically stated otherwise in this Declaration.

Additional Property will become a part of the Community if, and only if, Declarant in its sole and absolute discretion adds Additional Property to the Community by recording a Supplemental Declaration to such effect. Declarant hereby reserves an easement for ingress and egress and for utilities and drainage over, under and across the Property for the benefit of any Additional Property; provided, however, no such easement may be granted upon any portion of the Property that lies directly beneath a Home.

Declarant expressly further has and reserves the right as to the Property to (i) commence construction and development of the Property if and when Declarant desires; (ii) develop and construct the Property (including, without limitation, the recreational facilities and amenities) upon such timetable and in such phases as Declarant, in its sole and absolute discretion, chooses; (iii) modify the permits and approvals for the Property, including, without limitation, the Water Management District Permit; and/or (iv) seek and obtain the Approval Matters (as defined and more particularly described in Article XV, Section 28 below); all in such manner as Declarant's sole and absolute discretion. Nothing contained herein shall be construed as obligating Declarant to construct the Community according to the present plan of development or as obligating Declarant to declare any Additional Property to be Property.

Section 2. ASSOCIATION PROPERTY. The Association Property shall consist of: (a) the property indicated on the Plats as Association Property or as property reserved for or dedicated to the Association on such Plats, (b) any property which may be used or enjoyed by the Association by virtue of an easement or license rights in favor of the Association, and (c) any other property designated as Association Property in this Declaration or any Supplemental Declaration. The Association Property shall be used for recreational and social purposes as well as other proper purposes by the Association, the Owners and their Occupants, and others all as expressly provided and in accordance with the Governing Documents. Association Property may not be altered, modified, removed or replaced by Owners or their Occupants. The administration, management, operation and maintenance of the Association Property shall be the responsibility of the Association, as provided in this Declaration and the other Governing Documents.

Except only for those portions of the Community that are or become CDD Property, the portions of the Community described in this Section 2 shall constitute Association Property and shall be used solely in accordance with the covenants, restrictions, easements, reservations, conditions, limitations, rules, regulations, charges, burdens and liens imposed upon the Association Property including, without limitation, the following:

A. <u>Recreation Tract</u>. The Community is planned to contain one (1) active recreation area (the "Recreation Tract"). The Recreation Tract shall be used for recreational purposes by the Association, and the Owners and their Occupants. Such portions, if any, of the Recreation Tract upon which Declarant has constructed or hereafter constructs Improvements shall be kept and maintained for use in a manner consistent with the nature of such Improvements located or to be located thereon. The Recreation Tract shall always be kept and maintained by the Association for recreational uses or beautification and attendant uses (e.g., parking spaces within any of the Recreation Tract shall be used for proper purposes by those using the recreational facilities but only while using such facilities), and shall be used for such purposes and not for residential, commercial or industrial construction of any kind. The Recreation Tract shall be maintained, administered, operated and ultimately owned by the Association.

Declarant reserves the right, but shall not be obligated, to construct additional recreational facilities upon the Recreation Tract, and to modify, reduce and/or eliminate the facilities and amenities planned for the Recreation Tract (or any portions thereof). Declarant, at its sole and absolute discretion, hereby expressly reserves the right to reduce and/or modify the planned facilities, and to determine the timing of construction of the recreational facilities and installation of amenities. The decision as to whether to construct additional recreational facilities or amenities, to modify the planned facilities or amenities, to reduce the planned facilities or amenities, and/or determine the timing of the construction thereof, shall all be in the sole and absolute discretion of Declarant.

Notwithstanding anything contained herein, neither Declarant nor the Association makes any representations whatsoever to commence, complete or construct any of the recreational facilities within any specific time period.

B. <u>Lakes</u>. The Lakes shall always be kept and maintained as lakes for water retention, drainage, irrigation, littoral plantings, lake banks and water management purposes, all in compliance with all applicable requirements of Governmental Authorities including, without limitation, the Water Management District. Unless and until the Lakes become CDD Property or the obligations of the CDD, the Lakes shall be maintained, administered, operated and owned by the Association. In furtherance of the foregoing, Declarant hereby reserves and grants an easement in favor of the Association, Water Management District and CDD throughout all portions of the Community as may be necessary for the purpose of accessing, maintaining and administering the Lakes, and no Owner shall do any act which may interfere with the performance by the Association, CDD and/or Water Management District of their respective rights or obligations.

Water levels in the Lakes may rise and fall significantly due to, among other things, certain natural or man-made causes including, without limitation, rain, sun, and fluctuations in ground water elevations within the Property and areas surrounding the Property as well as water level control measures taken by the Declarant, Water Management District and/or other entities having jurisdiction over such functions. Accordingly, neither Declarant, the Association, nor the CDD has control over certain water levels and/or ground water elevations. Each Owner, by acceptance of a deed or title to a Lot, hereby releases Declarant, the Association, the CDD and the County from and against any and all losses, claims, demands, suits, actions, causes of action, liabilities (including, without limitation, property damage, personal injury and/or death), judgments, damages (including, without limitation, all secondary, incidental, consequential, special and/or punitive damages), fines, liens, encumbrances, penalties, costs and expenses of whatever nature or kind (including, without limitation, Legal Fees) related to, arising out of and/or resulting from water levels in the Lakes regardless of the cause thereof.

DECLARANT, THE ASSOCIATION, THE WATER MANAGEMENT DISTRICT AND THE CDD SHALL NOT BE OBLIGATED TO PROVIDE ANY SUPERVISORY PERSONNEL, INCLUDING, BUT NOT LIMITED TO, LIFEGUARDS, FOR THE RECREATION TRACT, THE LAKES AND/OR ANY OTHER PORTIONS OF THE ASSOCIATION PROPERTY. ANY INDIVIDUAL USING THE RECREATION TRACT, THE LAKES AND/OR ANY OTHER PORTIONS OF THE ASSOCIATION PROPERTY SHALL DO SO AT SUCH INDIVIDUAL'S OWN RISK AND HEREBY HOLDS THE DECLARANT, THE ASSOCIATION, THE WATER MANAGEMENT DISTRICT AND THE CDD HARMLESS FROM AND AGAINST ANY AND ALL LOSSES, CLAIMS, DEMANDS, SUITS, ACTIONS, CAUSES OF ACTION, LIABILITIES (INCLUDING, WITHOUT LIMITATION, PROPERTY DAMAGE, PERSONAL INJURY AND/OR DEATH), JUDGMENTS, DAMAGES (INCLUDING, WITHOUT LIMITATION, ALL SECONDARY, INCIDENTAL, CONSEQUENTIAL, SPECIAL AND/OR PUNITIVE DAMAGES), FINES, LIENS, ENCUMBRANCES, PENALTIES, COSTS AND EXPENSES OF WHATEVER NATURE OR KIND (INCLUDING, WITHOUT LIMITATION, LEGAL FEES) RELATED TO, ARISING OUT OF AND/OR RESULTING FROM SUCH USE.

EACH OWNER, OCCUPANT AND USER OF ANY PORTION OF THE COMMUNITY (HEREINAFTER "USER" OR "USERS") ACKNOWLEDGES THAT THE LAKES MAY BE EXTREMELY DEEP AND DANGEROUS. THE ASSOCIATION, THE WATER MANAGEMENT DISTRICT, THE CDD, THE DECLARANT PARTIES AND/OR ANY OF THEIR RESPECTIVE OFFICERS, DIRECTORS, PARTNERS, MANAGERS, COMMITTEE MEMBERS, EMPLOYEES, MANAGEMENT AGENTS, AFFILIATES, CONTRACTORS, SUBCONTRACTORS, SUCCESSORS AND/OR ASSIGNS (COLLECTIVELY, THE "LISTED PARTIES") SHALL NOT BE LIABLE OR RESPONSIBLE FOR MAINTAINING OR ASSURING THE SAFETY, WATER QUALITY OR WATER LEVEL OF/IN ANY LAKE, POND, CREEK, STREAM OR OTHER WATER BODY WITHIN OR AROUND THE COMMUNITY, EXCEPT AS SUCH RESPONSIBILITY MAY BE SPECIFICALLY IMPOSED BY, OR CONTRACTED FOR WITH, AN APPLICABLE GOVERNMENTAL AUTHORITY. FURTHER, NONE OF THE LISTED PARTIES SHALL BE LIABLE OR RESPONSIBLE FOR ANY PROPERTY DAMAGE, PERSONAL INJURY OR DEATH OCCURRING IN, OR OTHERWISE RELATED TO, ANY WATER BODY, ALL PERSONS USING SAME DOING SO AT THEIR OWN RISK.

ALL OWNERS, OCCUPANTS AND USERS ARE ALSO HEREBY NOTIFIED THAT FROM TIME TO TIME WILDLIFE MAY INHABIT OR ENTER INTO THE PROPERTY AND/OR WATER BODIES WITHIN OR NEARBY THE COMMUNITY WHICH MAY POSE A THREAT TO PERSONS, PETS AND PROPERTY, BUT THAT THE LISTED PARTIES ARE UNDER NO DUTY TO PROTECT AGAINST, AND DO NOT IN ANY MANNER WARRANT OR INSURE AGAINST, ANY DEATH, INJURY OR DAMAGE CAUSED BY SUCH WILDLIFE.

ALL OWNERS, OCCUPANTS AND USERS SHALL BE DEEMED, BY VIRTUE OF THEIR ACCEPTANCE OF A DEED OR TITLE TO OR USE OF SUCH PROPERTY, TO HAVE AGREED TO RELEASE AND HOLD HARMLESS THE LISTED PARTIES FROM AND AGAINST ANY AND ALL LOSSES, CLAIMS, DEMANDS, SUITS, ACTIONS, CAUSES OF ACTION, LIABILITIES (INCLUDING, WITHOUT LIMITATION, PROPERTY DAMAGE, PERSONAL INJURY AND/OR DEATH), JUDGMENTS, DAMAGES (INCLUDING, WITHOUT LIMITATION, ALL SECONDARY, INCIDENTAL, CONSEQUENTIAL, SPECIAL AND/OR PUNITIVE DAMAGES), FINES, LIENS, ENCUMBRANCES, PENALTIES, COSTS AND EXPENSES OF WHATEVER NATURE OR KIND (INCLUDING, WITHOUT LIMITATION, LEGAL FEES) RELATED TO, ARISING OUT OF AND/OR RESULTING FROM ANY AND ALL OF THE FOREGOING IN THIS SECTION 2.B, INCLUDING, WITHOUT LIMITATION, CHANGES IN THE SAFETY, QUALITY AND/OR LEVEL OF THE WATER IN SUCH BODIES, STORM OR HURRICANE RELATED DAMAGE RESULTING FROM WAVE ACTION WITHIN ANY WATER BODY; AND/OR ANY WILDLIFE INHABITING OR ENTERING THE PROPERTY AND/OR WATER BODIES WITHIN OR NEARBY THE COMMUNITY.

THE FOREGOING INDEMNIFICATION AND HOLD HARMLESS OBLIGATIONS SHALL APPLY REGARDLESS OF THE CAUSE OF SUCH PERSONAL INJURIES AND/OR DEATHS, INCLUDING, WITHOUT LIMITATION, THE NEGLIGENCE AND/OR WILLFUL MISCONDUCT OF THE LISTED PARTIES.

C. <u>Streets, Drives, Roads and/or Roadways</u>. The "Streets," "Drives," "Roads" and/or "Roadways" are those portions of the Property designated on the Plats as a street, driveway, road, roadway, or road right-of-way, and which are reserved for or dedicated to the

Association, but specifically excluding any street or roadway dedicated to the public on the Plats. The Streets, Drives, Roads and/or Roadways shall be used as private roads by Declarant, the Association, the Owners, and Owners' Occupants in accordance with the provisions of this Declaration, but subject to non-exclusive easements for public and private utilities, as provided in the Governing Documents or on the Plats. The Streets, Drives, Roads and/or Roadways shall be maintained, administered, operated and ultimately owned by the Association (which include the sidewalks, if any, running adjacent to those certain Streets, Drives, Roads and/or Roadways owned by the Association). Notwithstanding anything to the contrary, each Owner, at such Owner's sole cost and expense, shall be responsible for the maintenance, repair and replacement described in Article X, Section 2 below.

- D. Open Space Areas. The "Open Space Areas" are those portions of the Property, if any, which run: (a) along the outer perimeter of the Property, and/or (b) adjacent to certain Streets, Drives, Roads and/or Roadways; and are designated on the Plats, as "OS" tracts or as open space. The Open Space Areas shall be maintained by the Association in accordance with the provisions of this Declaration and the requirements of the applicable Governmental Authorities. In order to preserve the aesthetic image of the Community and to help maximize the Owners' use and enjoyment thereof, except as provided in the Governing Documents, no Improvements (including, without limitation, landscaping trees, fences, pools, spas, patios, decks and/or other additions) may be installed within the Open Space Areas, excepting any Improvements, landscaping or other additions made or installed by Declarant and/or the Association, such as, but not limited to, berms, landscaping, fences, sod, the Irrigation System, the Drainage System, signs, walkways, walls and light poles. Additionally, no Owner shall be permitted to attach their fence to any fence or wall located within any Open Space Areas or to otherwise fence in or enclose any portion of any Open Space Areas and/or other Association Property.
- E. <u>Street Lights</u>. The "**Street Lights**" and any associated facilities placed within the Property and any street lights and associated facilities placed within public rights of way by agreement between Declarant or Association and the public utility responsible therefor, are or shall be installed by Declarant, and if installed, will be repaired, replaced, relocated, maintained and owned by the public utility responsible therefor, but the Association shall be responsible to pay all fees associated with such installation, repair, replacement, relocation and maintenance, and for the furnishing of electricity thereto, at a set rate pursuant to a street lighting agreement entered into or to be entered into with such public utility. Nothing in this Declaration shall be construed to require Declarant or the Association to install Street Lights within the Community.
- F. <u>Decorative Street Lights</u>. Declarant reserves the right, but shall not be obligated, to install "**Decorative Street Lights**" in or near any entranceways and/or the gatehouse to the Community, and within or around the Recreation Tract. The Decorative Street Lights, if installed by Declarant, shall be repaired, replaced, relocated, maintained and owned by the Association. If installed, such Decorative Street Lights may not be typical of what may be installed in and around the Lots. Nothing in this Declaration shall be construed to require Declarant or the Association to install Decorative Street Lights within the Community.

G. Gatehouse, Entranceways and Entry Gates. The Community may include a gatehouse, entranceways and/or entry gates if and to the extent constructed by Declarant or the Association. Such gatehouse, entranceways and/or entry gates, if and to the extent constructed, shall be deemed Association Property and shall be administered, operated, maintained, repaired and/or replaced by the Association and all fees, costs, expenses and other sums necessary therefor shall be part of the Operating Expenses of the Association. The gatehouse and/or entry gates, if any, may or may not be staffed, as determined in the sole and absolute discretion of the Board. All other portions of the entranceways shall also be owned and maintained by the Association. It is also anticipated that there will be two limited entrances for emergency vehicle access within the Community. One emergency vehicle access entrance (with a gate) will be located along the southern boundary of the Community between Lots 86 and 87 on Lucia Lane to provide emergency vehicle ingress/egress into and out of the Community from Chancey Road. The second emergency vehicle access entrance (with a gate) will be located along the eastern boundary of the Community between Lots 156 and 157 on Malta Avenue to provide emergency vehicle ingress/egress into and out of the Community from Two Ridges Road. These limited entrances will not be for use by Owners.

The Board shall have the right and power to adopt, enforce, amend and/or abolish, from time to time, rules, regulations, policies and/or procedures regarding operation of the gatehouse and/or ingress/egress in and out of the Community. Neither Declarant nor the Association makes any representations whatsoever as to the security of the Property or the effectiveness of any gatehouse and/or entry gates if and to the extent constructed in the Community. All Owners agree to hold the Association (and its directors and officers) and the Declarant Parties harmless from and against any and all losses, claims, demands, suits, actions, causes of action, liabilities (including, without limitation, property damage, personal injury and/or death), judgments, damages (including, without limitation, all secondary, incidental, consequential, special and/or punitive damages), fines, liens, encumbrances, penalties, costs and expenses of whatever nature or kind (including, without limitation, Legal Fees) related to, arising out of and/or resulting from the occurrence of a crime or other act on or within the Property. The Owners acknowledge that the gatehouse and/or entry gates are designed only to restrict vehicular access to the Community, and will not be able to prevent crime. Notwithstanding anything herein to the contrary, neither Declarant nor the Association makes any representations whatsoever to commence, complete, construct or staff any gatehouse, entranceways or entry gates within any specific time period, if at all.

H. <u>Buffers</u>. The "**Buffers**" are those portions of the Property, if any, which run: (i) along the outer perimeter of the Property, (ii) adjacent to certain Streets, Drives, Roads and/or Roadways, and/or (iii) between the rear yards of certain "back to side" or "back to back" Lots; and are designated on the Plats as "LBE", "Landscape Buffer Easements," "Buffer Tracts" or as buffers. The Buffers shall be maintained by the Association in accordance with the provisions of this Declaration and the requirements of the applicable Governmental Authorities. In order to preserve the aesthetic image of the Community and to help maximize the Owners' use and enjoyment thereof, except as expressly provided in the Governing Documents, no Improvements (including, without limitation, landscaping trees, fences, pools, spas, patios, decks and/or other additions) may be installed within the Buffers without the prior written consent of the Association and applicable

Governmental Authorities, excepting any Improvements, landscaping or other additions made or installed by Declarant and/or the Association, such as, but not limited to, berms, landscaping, fences, sod, the Irrigation System, the Drainage System, signs, walkways, walls and light poles. Additionally, no Owner shall be permitted to attach their fence to any fence located within the Buffers or to otherwise fence-in or enclose any portion of the Buffers or other Association Property.

١. <u>Drainage System</u>. Except as provided in the Governing Documents and/or the permits issued by the applicable Governmental Authorities, the Drainage System within the Community is a private drainage system. Unless and until the Drainage System becomes CDD Property or the obligations of the CDD, the Association shall be responsible for all fees, costs, expenses and other sums associated with such ownership, operation, management, maintenance, repair and replacement of the Drainage System (or any portion thereof) necessary to maintain the system in its original condition and use, which such fees, costs, expenses and other sums shall be part of the Operating Expenses of the Association. In that regard, each Owner by acceptance of a deed and/or title to a Lot acknowledges that the widths of drainage easements provided for the Drainage System in the Community (the "Drainage Easements") may vary from the standard County requirements and, in such event, will require additional costs for maintenance above and beyond standard costs for stormwater management systems designed in accordance with County standards. The Drainage Easements are those portions of the Property designated on the Plat as a drainage easement, and those portions of the Property designated as a drainage easement in any separate written instrument recorded by Declarant or the Association against the Property or any portion thereof. Except as may be expressly permitted by the Water Management District Permit, no construction activities may be conducted by the Association relative to any portion of the Drainage system facilities. Prohibited activities include, but are not limited to: digging or excavation; depositing fill, debris of any other material or item; constructing or altering any water control structure; or any other construction to modify the Drainage System facilities. No vegetation in any wetland mitigation area or wet detention pond shall be removed, cut, trimmed or sprayed with herbicide without specific written approval from the Water Management District. Construction and maintenance activities which are consistent with the design and permit conditions approved by the Water Management District in the Water Management District Permit may be conducted without specific written approval from the Water Management District.

As part of the Drainage System, Declarant has caused or will cause to be constructed within the geographic area shown on the Plats, drainage canals, lakes and/or drainage retention/detention ponds. The Drainage System is part of the overall drainage plan and surface water management system for the Community. The Association and the CDD shall have unobstructed ingress to and egress from all lakes, drainage canals and retention/detention ponds, at all reasonable times to operate, maintain and repair said canals, lakes and/or drainage retention/detention ponds and Conservation Areas in a manner consistent with its responsibilities. No Owner shall cause or permit any interference with such access and maintenance. No Owner shall interfere with or modify the Drainage System in any way.

Unless and until the Drainage System becomes CDD Property or the obligations of the CDD, the Association shall at all times: (i) properly operate and maintain the Drainage System for the Property as part of the Association Property including, without limitation

systems of treatment and control (and related appurtenances), backup or auxiliary facilities or similar systems, all whether onsite or offsite from the Property, that are installed or used to achieve compliance with the requirements and conditions of the Water Management District Permit and/or as may be required by the Water Management District, and (ii) comply with conditions of the Water Management District Permit for the Drainage System. The Association shall, when requested by Declarant, accept transfer of the Water Management District Permits applicable to the portions of the Property that are not or will not be CDD Property. In the event the Water Management District Permits are transferred to the Association and thereafter the CDD assumes responsibility for the Drainage System, the Association shall transfer the Water Management District Permits and related portions of the Drainage System to the CDD. The conditions of the Water Management District Permit include, among other things, monitoring and record keeping schedules and maintenance, which the Association shall be responsible to perform and pay for. In that regard, the Association shall submit inspection reports in form and at the times required by Water Management District, in accordance with the permit issued by Water Management District unless the CDD has expressly assumed such responsibilities.

The Association shall hold and save the Water Management District, the CDD and the Declarant Parties harmless from any and all damages, claims, or liabilities which may arise by reason of the operation, maintenance or use of any facility authorized by the Water Management District Permit.

In the event of the termination, dissolution or final liquidation of the Association, the responsibility for the operation and maintenance of the portion of the Drainage System that is not CDD Property must be transferred to and accepted by an entity which would comply with the Water Management District rules and requirements, and be approved by the Water Management District prior to such termination, dissolution or liquidation.

The District has the right to take enforcement action, including a civil action for an injunction and penalties, against the Association to compel it to correct any outstanding problems with the Drainage System facilities or in mitigation or conservation areas under the responsibility or control of the Association.

The Drainage System has been designed and constructed to also serve the drainage needs of adjacent lands not within the Property subject to this Declaration, including, without limitation, public rights-of-way adjacent to and/or serving the Community, and drainage facilities and features that may be installed by the County for the benefit of itself and/or other properties adjacent or in proximity to the Community such as, but not limited to, an easement granted to the County along portions of the western boundary of the Community. The Declarant and the Association each reserve the right to grant further drainage and/or use easements and rights as Declarant may deem necessary or appropriate for accomplishing the drainage needs of the Property and/or such other lands provided that such agreements shall not unreasonably interfere with the use of the system by the Owners.

Neither the Association, the Declarant nor the CDD shall have any liability whatsoever to any Owner for claims or damages alleged by an Owner due to water levels in the Lakes being higher or lower than designed and/ or otherwise considered unacceptable to the Owner. Aesthetic appearance of the Lakes is secondary to their intended drainage function, and during periods of prolonged drought or other unusual weather events water levels in the Lakes may recede, and neither the Association, the Declarant nor the CDD shall have any liability whatsoever for such conditions.

- J. <u>Irrigation Systems</u>. Declarant shall have the right, but not the obligation, to install one or more Irrigation Systems for the Association Property and/or any or all of the Lots within the Community. The Irrigation System (or portions thereof) may be connected to the Lakes and is designed to utilize water from the Lakes and use reclaimed water as described in Article XV, Section 19 below. All or portions of the Irrigation System may be centrally controlled and operated by the Association. In the event Declarant installs one or more Irrigation Systems for: (i) the Association Property, (ii) any or all of the Lots within the Community, and/or (iii) other properties to be maintained by the Association in accordance with this Declaration, the responsibility for owning, operating, maintaining, repairing and replacing such Irrigation Systems shall be governed by Article X below. All fees, costs, expenses, and other sums necessary for owning, maintaining, repairing and replacing the Irrigation Systems shall be part of the Operating Expenses of the Association. The foregoing shall in no way obligate Declarant to install any Irrigation Systems for the Association Property or within any or all of the Lots within the Community.
- K. <u>Conservation Areas</u>. The "Conservation Areas" are those portions of the Property designated on the Plats, in this Declaration, any Supplemental Declaration, or in any conservation easement deed or other instrument now or hereafter recorded against any portion or portions of the Property, as conservation areas or tracts, preserve areas or tracts, wetland areas or tracts, and/or mitigation areas or tracts. Unless and until the Conservation Areas become CDD Property or the obligations of the CDD, the Conservation Areas are Association Property and shall not be altered from their natural vegetative and hydrologic condition existing at the time of execution of the Conservation Easement, and shall be used, kept and maintained as such by Declarant, the Association, the CDD, Owners and their Occupants, in accordance with the requirements and restrictions contained in this Declaration or any Supplemental Declaration, and pursuant to any permit, conservation easement deed or other instrument now or hereafter recorded against any portion or portions of the Property, or as required by any applicable Governmental Authority having jurisdiction over the Property (collectively the "Conservation Documents and Requirements"). Accordingly, it is all Owners' responsibility not to remove any native vegetation that becomes established within any Conservation Areas and to otherwise comply with restrictions set forth in the Conservation Documents and Requirements. Removal includes, but is not limited to, dredging, the application of herbicide, and cutting. Unless and until the Conservation Areas become CDD Property or the obligations of the CDD, the Association shall be responsible for monitoring and maintaining all Conservation Areas in accordance with the Conservation Documents and Requirements and as part of the maintenance obligations as set forth in Article X, Section 1 below. In furtherance of the foregoing, Declarant hereby reserves and grants an easement in favor of the Association and the CDD throughout all portions of the Community as

may be necessary for the purpose of accessing, maintaining and administering the Conservation Areas, and no Owner shall do any act which may interfere with the performance by the Association and/or the CDD of their respective obligations hereunder. Declarant shall have and hereby reserves the right to enter into and grant any additional Conservation Documents and Requirements as may be required from time to time by applicable governmental authorities.

- L. <u>Easement Areas</u>. All land, landscaping and improvements which may be used or enjoyed by virtue of any easement or license in favor of the Association. The Association shall maintain all such land, landscaping and improvements if, and to the extent, required by such easement or license. All fees, costs, expenses and other sums incurred by the Association in connection with such maintenance shall be Operating Expenses of the Association.
- M. <u>Right to Add Additional Improvements</u>. Improvements on or in the Association Property shall be kept and maintained for use in a manner consistent with the nature of such Improvements located, or to be located, thereon. Declarant and the Association reserve the right, but shall not be obligated, to construct additional Improvements upon the Association Property. Declarant's decision as to whether to construct additional Improvements and the construction thereof shall be in the sole and absolute discretion of Declarant, and the Association's decision as to whether to construct additional Improvements and the construction thereof shall be in the sole and absolute discretion of the Association.

<u>Section 3.</u> <u>LAKES AND LAKE LOTS.</u> Except as provided in this Declaration, the Lakes shall be reserved for the private use and enjoyment of all Owners and their Occupants, but only in accordance with this Declaration. Notwithstanding the foregoing, such use and enjoyment shall, at all times, be subject to: (a) the rights and obligations of the Association and/or the CDD, as applicable, under this Declaration to use and maintain the Lakes for water retention, drainage, irrigation and water management purposes for all of the Community, and (b) all rules and regulations which may be adopted, amended and/or revoked by the Association so long as the Association owns the Lakes, and thereafter by the CDD.

Only "catch and release" fishing in the Lakes shall be permitted; however, notwithstanding anything contained herein to the contrary, an Owner shall only access the Lakes from the Lake Bank that immediately abuts such Owner's Lot if the Owner's Lot is a Lake Lot (a "Lake Lot Owner"). If an Owner is not a Lake Lot Owner, or if a Lake Lot Owner wishes to access a different Lake or another area of the same Lake, access to the Lake shall be exclusively from the portion of the Lake, Lake Maintenance Easement or Lake Bank abuts an Open Space Area. If no portion of the Lake, Lake Maintenance Easement or Lake Bank abuts an Open Space Area, Owners other than Lake Lot Owners whose Lots abut the Lake, shall not be permitted access to that Lake. In addition, no Owner shall be permitted access to or to fish from any Lake Maintenance Easement or Lake Bank which is located on or immediately abuts a Lake Lot owned by another Owner.

Lake Lot Owners and their Occupants shall be permitted at their sole risk to operate non-motorized and electric watercraft in the Lakes. No other persons shall be entitled to

operate watercraft in the Lakes. Notwithstanding the foregoing, the launching into and removal from the Lakes of any permitted non-motorized or electric watercraft by a Lake Lot Owner shall be limited to such Lake Lot Owner's Lake Lot and the Lake Lot Owner shall only access the Lakes from the Lake Maintenance Easement or Lake Bank which immediately abuts such Lake Lot Owner's Lake Lot. Watercraft shall be limited in size to eighteen feet (18') in length. The operation of motorized watercraft, other than electrically operated watercraft, in the Lakes are prohibited. Watercraft and trailers shall not be stored on the Lake Banks, Lake Maintenance Easements and/or in the Lakes. Only watercraft which are permitted to be used within the Lakes of the Community may be temporarily stored within the backyards of Lake Lots. Swimming in the Lakes is also prohibited.

No planting, fencing or other Improvements or additions to any Open Space Areas surrounding a Lake and outside the Lot is permitted by any Owner (or any of Owner's Occupants). Other than sod, no planting, fencing or other Improvements (including landscaping) or additions shall be permitted by Owners within or along the Lake Banks or the Lake Maintenance Easements, or within the Lakes. No installation of sand or other materials intended to simulate a beach shall be permitted within or along the Lake Banks or within the Lake Maintenance Easements and/or rear yards of Lake Lots; provided, however, Declarant shall have the right, but not the obligation, to install sand along the Lake Banks (and/or within the Lake Maintenance Easements) that are on or adjacent to the Recreational Tract, and if Declarant installs such sand, it shall be the Association's obligation to maintain and replace same, and the expense thereof shall be included as an Operating Expense.

In addition to the use of any Lake Maintenance Easements by any Lake Lot Owner, as described and permitted above, such easements are for the use of the Association, the County, the Water Management District, the CDD (if and when the Lakes become CDD Property), and any other Governmental Authority requiring access to the Lakes for maintenance of the Lakes and littoral plantings, if any, and other proper purposes. No alteration, relocation, removal or damage to littoral plantings, wetland plantings or upland plantings, if any, located in any Lakes, Lake Maintenance Easements is permitted by any Owner.

The Association shall also be responsible for the maintenance, repair and replacement of all littoral plantings, if any, in all Lakes, as well as the maintenance, repair and replacement of any landscaping installed by Declarant within the Lake Banks, if any unless and until the Lakes become CDD Property or the obligations of the CDD. In no event shall any Owner cause erosion or change in grade of any Lake Bank slopes from design grade or remove any landscaping installed by Declarant within the Lake Bank.

<u>Section 4.</u> <u>COSTS.</u> All fees, costs, expenses and other sums associated with owning, operating, maintaining, repairing and replacing (but not improving) the Association Property (except any portions thereof that become CDD Property as provided in this Declaration) shall be Operating Expenses and therefore the obligation of the Association. However, as provided in Article III below, in the event the CDD and the Association enter into any agreement providing for the Association to operate, maintain, repair and/or replace CDD Property (or portions

thereof), then all the fees, costs, expenses, and other sums incurred by the Association pursuant to such agreement shall also be considered Operating Expenses and obligations of the Association. Notwithstanding anything to the contrary, fees, costs, expenses, and other sums necessary for repairs and/or replacement of Association Property may, as determined by the Board, instead be the subject of a Special Assessment as provided in Article VIII, Section 3 below. In addition, the fees, costs, expenses and other sums associated with reconstructing or improving the Association Property may be the subject of a Special Assessment as provided in Article VIII, Section 3 below.

<u>Section 5.</u> <u>PRIVATE USE.</u> Except as otherwise expressly provided in this Declaration, the Association Property is not for the use and enjoyment of the public, but is expressly reserved for the private use and enjoyment of Declarant, the Association and the Owners and Owners' Occupants, but only in accordance with and subject to this Declaration and the other Governing Documents (including, without limitation, the Rules and Regulations).

Notwithstanding anything in this Declaration to the contrary, however, Declarant hereby expressly reserves for itself and its affiliates the right to use the Association Property (including, without limitation, all parking spaces within or adjacent to the Recreation Tract, if any) for such period of time as Declarant determines to be necessary in connection with the sale and marketing by Declarant and/or its affiliates of Homes in the Community and/or in any other communities developed or to be developed by Declarant or its affiliates, including, but not limited to, the holding of sales and marketing meetings, the use of "model rows" if one or more, the use of sales and design centers, the use of service and construction trailers and offices, and engaging in sales promotions and events, and related sales and marketing activities for the general public.

Section 6. MODEL ROW. Declarant hereby reserves the right to construct and/or operate one or more "model rows" in the Community. The model rows may contain sales and design centers and model homes for the Community or other communities being developed by Declarant or affiliates of Declarant, as Declarant and/or any of Declarant's affiliates may so determine, in their sole and absolute discretion. The model rows may also contain parking, landscaping and fencing across Streets, Drives, Roads and/or Roadways as Declarant may determine in its sole and absolute discretion. In the event that Declarant and/or any of Declarant's affiliates constructs one or more "model rows" in the Community, such model rows may be used for such period of time that Declarant and/or any of Declarant's affiliates determine to be necessary in its or their sole and absolute discretion including, without limitation, after the Turnover Date. The Association and each Owner, by acceptance of a deed or title to a Lot in the Community, acknowledges and agrees that: (i) Declarant and/or any of Declarant's affiliates have a right to construct and/or operate one or more model rows even after the Turnover Date; (ii) Declarant and/or any of Declarant's affiliates have an easement over and across the Community for ingress and egress to and from the model rows (whether through the gatehouse or any alternative temporary entrances constructed by Declarant) and to use and show the model homes, the Recreation Tract, and the other portions of the Association Property to prospective purchasers in the Community or other communities being developed by Declarant and/or any of Declarant's affiliates; and (iii) Association and each Owner shall not interfere in any manner whatsoever with the sales process by Declarant and/or any of Declarant's affiliates, including, without limitation, the carrying of signs, the posting of signs on Lots or Homes, or other types of demonstrations in or around the Community or any public right-of-way adjacent to the Property. The Association and each Owner acknowledges and agrees that any such sales interference by Association and/or Owner (directly or indirectly) shall be deemed a nuisance and actionable, improper interference with Declarant's and/or its affiliates' business, and therefore detrimental to: (x) the quiet enjoyment of the Community by the other Owners, (y) the value of the Homes within the Community, and (z) Declarant's and/or Declarant's affiliates' ability to conduct their business.

Without limiting the generality of the foregoing, before and after the Turnover Date, the Association shall not prohibit, restrict, condition or limit access into or out of the Community (whether through the gatehouse or other portions of the Community) of any: (i) potential customer or invitee of Declarant or affiliates of Declarant including, without limitation, customers or invitees desirous of using such model rows, and/or (ii) contractors, subcontractors and vendors of Declarant. Declarant hereby reserves the right to provide access to and from such model rows from alternative portions of the Community, as determined by Declarant from time to time in Declarant's sole and absolute discretion. Notwithstanding anything to the contrary in this Declaration (including, without limitation, Article XV, Section 8 below), this Section 6 may not be amended, modified and/or removed without the prior written approval of Declarant, which approval may be withheld or delayed by Declarant in Declarant's sole and absolute discretion.

COMMUNITY SYSTEMS. Declarant shall have the right, but not the obligation, to Section 7. convey, transfer, sell, license or assign all or any portion of the Community Systems located within the Property, or all or any portion of the rights, duties or obligations with respect thereto to the Association or any other person or entity (including an Owner, as to any portion of a Community System located on/in such Owner's Lot). Without limiting the generality of this Section 7, if and when any of the aforesaid persons and/or entities receive such a conveyance, sale, transfer or assignment, such person and/or entity shall automatically be deemed vested with such rights of Declarant with regard thereto as are assigned by Declarant in connection therewith; provided, however, that if the Association is the applicable entity, then any Community Systems or portions thereof shall be deemed Association Property hereunder and the Association's rights, duties and obligations with respect thereto shall be the same as those applicable to other Association Property unless otherwise provided by Declarant. Any conveyance, transfer, sale or assignment made by Declarant pursuant to this Section 7: (i) may be made with or without consideration, (ii) shall not require the consent or approval of the Association or any Owner, and (iii) if made to the Association, shall be deemed to have been automatically accepted (with all rights, duties, obligations and liabilities with respect thereto being deemed to have been automatically assumed). In recognition of the intended increased effectiveness and potentially reduced installation and maintenance costs and user fees arising from the connection of Lots and Association Property to the applicable Community Systems, each Owner and Occupant of a Home shall, by virtue of the acceptance of a deed or title to a Lot or other right of occupancy thereof, be deemed to have consented to and ratified any and all agreements to which the Association is a party which is based upon (in terms of pricing structure or otherwise) a requirement that such Lot be so connected. The foregoing shall not, however,

prohibit the Association or Community Systems provider from making exceptions to any such use requirement in its reasonable discretion. WITH RESPECT TO COMMUNITY SYSTEMS, ALL PERSONS ARE REFERRED TO ARTICLE VII, SECTION 8 BELOW, WHICH SHALL AT ALL TIMES APPLY TO THIS SECTION.

<u>Section 8.</u> <u>PARKING RIGHTS.</u> The Association may maintain upon the Association Property parking spaces for Owners and their Occupants, as well as Declarant. The use of such parking spaces by Owners and their Occupants shall be subject to this Declaration and the Rules and Regulations.

ARTICLE III COMMUNITY DEVELOPMENT DISTRICT

Section 1. COMMUNITY DEVELOPMENT DISTRICT. A COMMUNITY DEVELOPMENT DISTRICT ("CDD") IS OR WILL BE ESTABLISHED PURSUANT TO CHAPTER 190 OF THE FLORIDA STATUTES. EACH OWNER ACKNOWLEDGES, UNDERSTANDS AND AGREES THAT THE COMMUNITY IS OR WILL BE LOCATED WITHIN THE CDD. A community development district or CDD is a local unit of specialpurpose government organized and existing under the laws of the State of Florida. The primary purpose of a CDD is to finance, construct, operate and maintain some or all of the public infrastructure within and/or outside the jurisdiction of the CDD as permitted in the CDD governing documents (including, without limitation, the water system, sewer system, Drainage System and Conservation Areas). The CDD will have the authority to levy and collect fees, rates, charges, taxes and assessments to pay for, finance and provide all or some of said services. The CDD is empowered to finance, fund, plan, establish, acquire, construct or reconstruct, enlarge or extend, equip, operate, and maintain systems, facilities and basic infrastructures both within and outside its boundaries, as necessary or desirable to serve the property within its boundaries. Such systems, facilities and basic infrastructures may include, without limitation: (1) surface water management improvements (including drainage pipes and control and outfall structures); (2) control of the Lakes within the Community; (3) potable water distribution; (4) sewage and wastewater infrastructure and utilities; and (5) the Conservation Areas.

CDD TAXES, ASSESSMENTS AND OTHER CHARGES. ONCE ESTABLISHED, THE CDD, AS A SPECIAL TAXING DISTRICT, WILL IMPOSE TAXES OR ASSESSMENTS, OR BOTH TAXES AND ASSESSMENTS, ON THE PROPERTY. THESE TAXES AND ASSESSMENTS PAY THE CONSTRUCTION, OPERATION AND MAINTENANCE COSTS OF CERTAIN PUBLIC FACILITIES OF THE CDD AND ARE SET ANNUALLY BY THE GOVERNING BOARD OF THE CDD. THESE TAXES AND ASSESSMENTS ARE IN ADDITION TO COUNTY AND ALL OTHER TAXES AND ASSESSMENTS PROVIDED FOR BY LAW, AND ARE IN ADDITION TO THE ASSESSMENTS LEVIED BY THE ASSOCIATION PURSUANT TO THIS DECLARATION. These fees, rates, charges, taxes and assessments will appear on the annual real estate bill for each Owner as a separate and distinct tax. The annual real estate tax bill for each Owner may increase as a result. All taxes and assessments of the CDD shall constitute a lien upon those portions of the Property owned by any Owner. The CDD shall have the power to issue general obligation bonds, revenue bonds, refunding bonds and any other type of bond permitted by Chapter 190, Florida Statutes to finance infrastructure, systems and facilities. The repayment

of the bonds shall be funded through the imposition of ad valorem taxes on all the taxable property within the CDD or by the imposition of rates, fees, taxes, assessments, or other charges as permitted by Chapter 190, Florida Statutes. The CDD is empowered to pledge the full faith and credit of the CDD for the purpose of securing the repayment of the bonds, may secure revenue bonds by pledging the rates, fees or charges collected or to be collected by any revenue-producing project and may levy assessments to pay its annual administrative, operating and maintenance expenses. Bonds may be issued for the purpose of financing or refinancing capital improvements to pay off existing bonds or any other permitted use. Any such tax levied against the Association as the owner of any portions of the Association Property shall be an Operating Expense of the Association. The functions, duties and powers of the CDD shall be managed and exercised by a board of supervisors. The board of supervisors shall be elected as provided in Chapter 190, Florida Statutes.

By acceptance of a deed or title to a Lot, the Owner of such Lot agrees, for itself, its successors or assigns and grantees, to: (a) pay any and all fees, rates, charges, taxes and assessments imposed by the CDD, (b) to abide by all of the CDD's rules and regulations, as they may be adopted and/or amended from time to time, and (c) disclose in writing to any subsequent purchaser of the Owner's Lot that such property is within the CDD and that such subsequent purchaser shall be subject to all fees, rates, charges, taxes and assessments imposed by the CDD. Declarant shall have the right to enforce these provisions by an action for specific performance and Declarant shall be indemnified and held harmless by such Owners for all Legal Fees incurred by Declarant in doing so.

Section 3. CDD PROPERTY; MAINTENANCE AND REPAIR OBLIGATIONS. Notwithstanding anything to the contrary in this Declaration, Declarant hereby reserves and shall have the right (but not any obligation whatsoever), in its sole discretion and without the joinder or consent of any other person or entity, to: (i) cause portions of the Association Property to be conveyed to the CDD in which event such portions of the Association Property conveyed to the CDD shall thereafter be considered CDD Property and the ongoing maintenance obligation of the CDD except as set forth in this Declaration and/or any agreement between the CDD and the Association, and (ii) grant such access and maintenance easements, to the extent not granted in this Declaration, as may be necessary for the CDD to perform its obligations with respect to such Association Property or other property conveyed to the CDD. In such event, the Association shall join in and consent to any such conveyance to the CDD.

Notwithstanding the foregoing, the entity responsible for the maintenance at any given time, whether it is the Association and/or the CDD, shall be responsible for: (i) the maintenance of the Lakes which are to be kept and maintained as lakes and for stormwater management and drainage purposes, respectively, for water retention, drainage, irrigation, littoral plantings and water management purposes in compliance with the Water Management District Permit and all other applicable governmental and Water Management District requirements; (ii) the Drainage System in accordance with the Water Management District Permit, this Declaration and all requirements of the applicable governmental authorities having jurisdiction thereof; and (iii) maintaining the Conservation Areas in accordance with the

Conservation Documents and Requirements. In furtherance of the foregoing, in the event any such Association Property is conveyed to the CDD, then Declarant hereby reserves and grants an easement in favor of the CDD over the roadways in the Community as may be necessary for the purpose of accessing, maintaining and administering the Lakes and Conservation Areas, as applicable, and no Owner shall do any act which may interfere with the performance by the CDD of its obligations hereunder. Notwithstanding any transfers made by the Association to the CDD as provided herein, the Association shall at all times be responsible for cleaning, maintaining, repairing and replacing those portions of the Drainage System located on the Association Property not conveyed to the CDD, including but not limited to, the infrastructure, pipes and swales as necessary to maintain the system in its original condition and use.

<u>MAINTENANCE AGREEMENTS</u>. Regardless of whether any property is Association Property or CDD Property, the Association and CDD may (but shall have no obligation whatsoever to) enter into written agreements taking on and assuming from the other any operation, maintenance, repair and/or replacement obligations of the other, all as expressly provided in any such agreements. In such event, the agreements shall also allocate which parties pay all fees, rates, charges, costs and expenses relating to the assumed obligations. Such agreements may also provide for, among other things, other subject matters (including, without limitation, allocation of rule making authority) with respect to the assumed obligations and related properties.

ARTICLE IV ADDITIONS TO AND WITHDRAWALS FROM THE PROPERTY; CONVEYANCE OF ASSOCIATION PROPERTY

Section 1. ADDITIONS. Declarant may from time to time, in its sole and absolute discretion, by recording one or more Supplemental Declarations in the Public Records, add any Additional Property or any other real property to the Property governed by this Declaration, and may declare all or part of such Additional Property or other property (including any Improvements thereon) to be Lots or Association Property. Upon the recording of a Supplemental Declaration, the property described therein shall be deemed part of the Property as if it were originally included therein and subject to this Declaration. Any such Supplemental Declaration may submit any Additional Property or any other real property to such modifications of the covenants, restrictions, easements, reservations, conditions, limitations, rules, regulations, charges, burdens and/or liens contained in this Declaration as may be necessary or convenient to reflect or adapt to any changes in circumstances or differences in the character of any such Additional Property or other property. Nothing contained in this Section 1 shall be construed to require the joinder by or consent of the Owners or the Association to any such Supplemental Declaration; provided, however, the Association shall join in the execution of any such Supplemental Declaration at the request of Declarant. In addition, nothing herein shall require Declarant to add any Additional Property.

<u>Section 2.</u> <u>DESIGNATION OF ADDITIONAL ASSOCIATION PROPERTY</u>. Declarant may, from time to time, in its sole and absolute discretion, by recording one or more Supplemental

Declarations in the Public Records, designate additional portions of the then existing Property owned by it to be Association Property.

<u>Section 3.</u> <u>DISCLAIMER OF IMPLICATION.</u> As of the Effective Date, only the real property described in Exhibit "A" hereto is submitted and declared as the Property subject to this Declaration. No other property (including any Additional Property) shall in any way be deemed to constitute a portion of the Property or be affected by the covenants, restrictions, easements, reservations, conditions, limitations, rules, regulations, charges, burdens and/or liens expressly binding the Property as provided by the terms of this Declaration unless and until a Supplemental Declaration is recorded in the Public Records pursuant to this Declaration for any such purposes.

<u>ABSENCE OF OBLIGATION</u>. Nothing in this Declaration shall be construed to require Declarant to add any Additional Property to the Property encumbered by this Declaration or to require Declarant to declare any portion of any properties added to the Property to be Association Property, nor shall anything in this Declaration be construed to require Declarant to declare any portion or portions of the existing Property as Association Property, except to the extent expressly provided in this Declaration.

Section 5. WITHDRAWAL. Notwithstanding anything herein to the contrary, Declarant reserves the absolute right at any time to withdraw portions of the Property from the provisions of this Declaration by recording one or more Supplemental Declarations in the County. Any such Supplemental Declaration must be executed by Declarant, the Owner of any portion of the Property sought to be withdrawn (if any), and each holder of an Institutional Mortgage on a Lot located on the Property sought to be withdrawn (if any), in order to be effective. Nothing contained in this Section shall be construed to require the joinder by or consent of the Association or the Owners of Lots on the portion of the Property which is not withdrawn by such Supplemental Declaration, or such Owners' Institutional Mortgagees holding mortgages on Lots on the portion of the Property which is not withdrawn by such Supplemental Declaration, or the Association.

Section 6. TITLE TO THE ASSOCIATION PROPERTY. To the extent herein provided, the Association Property is hereby dedicated non-exclusively to the joint and several use in common with the Declarant and all Owners of Lots that may, from time to time, constitute part of the Property. Except as otherwise required by applicable Law, when deeds and/or title to all Lots subject to the provisions of this Declaration have been conveyed to non-Declarant purchasers (or earlier at Declarant's option, exercisable from time to time, as to any portions of the Association Property), the Declarant or its successors and assigns shall convey and transfer to the Association, by: (a) quitclaim deed, the fee simple title, or (b) by easement or license (or assignment of easement or license), the easement or license rights, as applicable, to the Association Property free and clear of any mortgages. The Association shall accept such conveyance and transfer for the Owners as aforesaid. Such conveyance shall be subject to: (i) all real estate taxes and assessments due with respect to the Association Property from and after the date of recording of this Declaration; (ii) all Laws imposed by Governmental Authorities, including, without limitation, all building, zoning, land use and environmental Laws; (iii) matters which would be

disclosed by an accurate survey of the Association Property; (iv) the Plats of the Community; (v) the terms, provisions covenants, restrictions, easements, reservations, conditions, limitations, rules, regulations, charges, burdens and liens of this Declaration, as the same may have been modified, amended and/or supplemented from time to time; (vi) the fees, rates, charges, taxes and assessments payable to the CDD, as further described above; and (vii) all other covenants, restrictions, easements, reservations, conditions, limitations, rules, regulations, charges, burdens, liens and other matters of record.

At the time of conveyance of the Association Property or any portion thereof, the Association shall accept the Association Property (together with the personal property and Improvements appurtenant thereto, if any), and shall pay all costs of such conveyance including documentary stamps and other taxes of conveyance, recording charges, title insurance expenses and insurance fees. The conveyance shall not, however, impair in any way Declarant's rights and easements as set forth in this Declaration. The Association shall also accept the Association Property and the personal property and Improvements appurtenant thereto in "AS IS", "WHERE IS" condition, with all faults and defects (latent and patent, known and unknown, and foreseeable and unforeseeable), and without any representation or warranty, expressed or implied, in fact or by Law, as to the condition or fitness of the Association Property, the personal property and/or the Improvements appurtenant thereto being conveyed. IN THAT REGARD, TO THE FULL EXTENT PERMITTED BY LAW (INCLUDING, WITHOUT LIMITATION, SECTION 553.835, FLORIDA STATUTES), THE ASSOCIATION AND EACH OWNER KNOWINGLY AND VOLUNTARILY RELINQUISHES AND WAIVES, AND DECLARANT EXPRESSLY DISCLAIMS, ANY AND ALL WARRANTIES (EXPRESS OR IMPLIED) AS TO THE HOMES, ASSOCIATION PROPERTY, PERSONAL PROPERTY AND THE IMPROVEMENTS ON OR UNDER THE PROPERTY, WHETHER ARISING FROM CUSTOM, USAGE OR TRADE, COURSE OF CONDUCT, COURSE OF DEALING, CASE LAW OR OTHERWISE, INCLUDING WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF HABITABILITY, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR ANY IMPLIED WARRANTY OF FITNESS FOR ANY INTENDED OR PARTICULAR PURPOSE.

TO THE EXTENT THAT BY LAW OR OTHERWISE ANY OF THE WARRANTIES RELINQUISHED, WAIVED OR DISCLAIMED CANNOT BE RELINQUISHED, WAIVED OR DISCLAIMED, ALL SECONDARY, INCIDENTAL, CONSEQUENTIAL, SPECIAL AND/OR PUNITIVE DAMAGES ARE SPECIFICALLY EXCLUDED AND DISCLAIMED (INCLUDING, WITHOUT LIMITATION, DAMAGES RESULTING FROM CLAIMS OF PROPERTY DAMAGE, LOSS OF USE, PERSONAL INJURY, DEATH AND/OR EMOTIONAL DISTRESS). Without limitation, the Association shall accept all Streets, Drives, Roads, Roadways, bridges, pathways and sidewalks, including, without limitation, all gutters, curbs and paver bricks located within and adjacent to the Streets, Drives, Roads, Roadways, bridges, pathways and sidewalks, gutters, curbs and paver bricks perform their intended purposes. The Association and all Owners hereby further acknowledge and agree that cracks, lifting, settlement, expansion, erosion and differential displacement in the Streets, Drives, Roads, Roadways, bridges, pathways and sidewalks, gutters, curbs and paver bricks, as well as the ponding or collection of water following periods of rain thereon, are normal and shall not be considered to be defects or deficiencies of any kind whatsoever. Acceptance of

same by the applicable Governmental Authorities having jurisdiction thereover shall be conclusive evidence that all such Streets, Drives, Roads, Roadways, bridges, pathways and sidewalks, gutters, curbs and paver bricks are performing their intended purposes and not defectively designed or constructed.

The Association and each Owner acknowledge and agree that Declarant has or will install trees, shrubs, plants and other landscaping in and around the Community consistent with a landscape plan that meets or exceeds the requirements of the County Land Development Code ("LDC") and that such trees, street trees, shrubs, plants and other landscaping will mature, expand, decay and/or die from time to time. In addition, the Association and each Owner further acknowledge and agree that the roots from such trees, shrubs, plants and other landscaping will grow and expand over time (collectively, "Root Intrusion"). Such Root Intrusion may expand, intrude under and potentially damage, among other things, bike paths, sidewalks, pathways, driveways, drainage structures and pipes, walking and running paths, tennis courts, pickleball courts, bocce ball courts, paver decks and walkways, Streets, Drives, Roads, Roadways, bridges, gutters, curbs, paver bricks and other Improvements located on the Property. Such Root Intrusion, expansion, intrusion, decay and death are natural and expected conditions and occurrences, and shall be maintained and repaired in accordance with this Declaration. Declarant shall not have any liability or responsibility for losses (including, without limitation, personal injury and/or death) or damages (including, without limitation, all secondary, incidental, consequential, special and/or punitive damages), repair and/or replacement arising out of and/or resulting from the following (collectively, the "Landscaping Inherent Conditions"): (i) Root Intrusion, (ii) the maintenance and prevention of Root Intrusion or the lack of such maintenance and prevention, (iii) cracks, lifting, settlement, expansion, erosion and/or differential displacement in bike paths, sidewalks, pathways, driveways, drainage structures and pipes, walking and running paths, tennis courts, pickleball courts, bocce ball courts, paver decks and walkways, Streets, Drives, Roads, Roadways, bridges, gutters, curbs, paver bricks and other improvements located on the Property, and/or (iv) decay or death of trees, shrubs, plants and other landscaping regardless of the reasons therefor so long as all of the remaining trees, shrubs, plants and other landscaping, when looked at as a whole, meet or exceed the minimum requirements of the LDC. Accordingly, neither the Association nor any Owner shall have any claim whatsoever against Declarant or any other Declarant Parties as a result of the foregoing, and the Association and each Owner (past, present or future) hereby releases and agrees to hold harmless and indemnify the Declarant Parties from and against any and all losses, claims, demands, suits, actions, causes of action, liabilities (including, without limitation, property damage, personal injury and/or death), judgments, damages (including, without limitation, all secondary, incidental, consequential, special and/or punitive damages), fines, liens, encumbrances, penalties, costs and expenses of whatever nature or kind (including, without limitation, Legal Fees) related to, arising out of and/or resulting from any of the Landscaping Inherent Conditions.

The Association and each Owner further acknowledge and agree that the County: (i) shall not have any responsibility to control, maintain or repair any such Root Intrusion or any of the damage caused by the roots and/or any such Root Intrusion, and (ii) shall not have any

liability for losses or damages arising out of and/or resulting from such Root Intrusion, expansion or intrusion. The exculpation of the County in this paragraph may not be amended without the prior written consent of the County Engineer or the Board of County Commissioners of the County.

Commencing on the Effective Date, and notwithstanding that title thereto has not yet been conveyed to the Association, the Association shall be responsible for the operation, maintenance, repair and replacement of the Association Property in a continuous and satisfactory manner in accordance with the Governing Documents. The Association, being the entity responsible for the operation, maintenance, repair and/or replacement of the Association Property as provided in the Governing Documents, hereby agrees to indemnify, defend and hold the Declarant Parties harmless from and against any and all losses, claims, demands, suits, actions, causes of action, liabilities (including, without limitation, property damage, personal injury and/or death), judgments, damages (including, without limitation, all secondary, incidental, consequential, special and/or punitive damages), fines, liens, encumbrances, penalties, costs and expenses of whatever nature or kind (including, without limitation, Legal Fees), related to, arising out of and/or resulting from the Association's failure to so operate, maintain, repair and/or replace the Association Property. The foregoing indemnity, defense and hold harmless obligations expressly include, without limitation, those relating to, arising out of, resulting from and/or in any way connected with acts, omissions and/or negligence of such indemnified parties.

The Association shall be responsible for the payment of real estate taxes, if any, against the Association Property, including taxes on any Improvements and any personal property thereon, accruing from and after the date this Declaration is recorded.

Subject to the foregoing, Declarant may mortgage any or all portions of the Association Property to finance construction and development expenses provided that the mortgagee recognizes the rights of Owners under this Declaration and neither the Association nor any Owner is personally liable for paying the debt secured by such mortgage. In such event, neither the Association nor the Owners shall be required to join in or be entitled to consent to such mortgage. The Association Property shall be released from any such mortgage no later than the date same is conveyed to the Association.

ARTICLE V OWNERS' PROPERTY RIGHTS; EASEMENTS

Section 1. OWNERS' EASEMENTS OF ENJOYMENT. Every Owner and Occupant shall, except as may otherwise be provided in this Declaration, have a permanent and perpetual, nonexclusive easement for ingress and egress over, enjoyment in, and use of Association Property within the Property (except as may otherwise be specifically provided elsewhere in the Governing Documents), in common with all other Owners and their Occupants, which easement shall be appurtenant to, and shall pass with a deed and/or title to, each Owner's Lot. This right shall be subject to the following conditions and limitations:

- A. The right of the Association to establish, amend and/or abolish Rules and Regulations from time to time to, among other things, govern the use and enjoyment of the Association Property by the Owners and their Occupants including, without limitation, Rules and Regulations to: (i) reasonably limit the number of Occupants of an Owner using the Association Property, (ii) limit or prohibit certain types of Occupants from using the Association Property, (iii) create Rules and Regulations to protect the health, safety and welfare of the Community, including, without limitation, during pandemics, endemics and/or other health and safety emergencies (which may, but are not required to, be based on guidelines set forth by the Governmental Authorities and/or the Center for Disease Control), and (iv) require issuance of guest passes for Occupants of Owners and charging fees for such guest passes.
- B. The right of the Association to establish, amend and/or abolish Rules and Regulations from time to time for the purposes of enhancing the aesthetic uniformity of the Property.
- C. The right and duty of the Association to levy Assessments against each Lot for the purpose of operating, maintaining, repairing and replacing the Association Property and Improvements thereon in compliance with the provisions of this Declaration and the restrictions on portions of the Property from time to time recorded by Declarant.
- D. The right of the Association in accordance with its Articles, Bylaws, and this Declaration, with the affirmative vote or written consent of two-thirds (2/3) of the total voting interests of the Members, except as provided to the contrary in this Declaration, to borrow money for the purpose of improving the Association Property and Improvements thereon, and, in aid thereof, to mortgage, pledge, or hypothecate any or all of its real or tangible or intangible personal property as security for money borrowed or debts incurred, provided that the rights of such mortgagee shall be subordinated to the use rights of the Owners in the Association Property. Notwithstanding the foregoing, such two-thirds (2/3) vote or written consent of total voting interests shall not be required for such Improvements made for the sole purpose of preservation of, or prevention of damage to the Association Property or compliance with Laws. In addition thereto, no vote of the Members shall be required to borrow funds for the purpose of repairing and replacing existing Association Property.
- E. The right of the Association to dedicate, release, alienate, or transfer all or any part of the Association Property owned by the Association to any public agency, authority, or utility; and to grant any covenant, restriction or reservation against the Association Property in favor of any such public agency, authority or utility; provided, however, no such dedication, release, alienation, or transfer shall be effective unless Members entitled to cast two-thirds (2/3) of the total voting interests agree to such dedication, release, alienation or transfer.
- F. The right of the Association, without any vote of the Owners, to grant "blanket" (i.e., general) and specific easements and rights-of-way, where necessary or desirable, for utilities, water and sewer facilities, Community Systems, cable television, and other services

over the Association Property to serve the Association Property and other portions of the Property.

- G. The right of Declarant and its affiliates, licensees and invitees, to the nonexclusive use of the Association Property and the Improvements thereon, without charge, for sales, marketing, display, access, ingress, egress, construction, and exhibit purposes, and to grant (without consent of the Association and/or vote of the Owners) easements and rights-of-way as provided in this Declaration.
- H. The right of Declarant to permit purchasers who are under contract with Declarant to purchase a Lot in the Community and/or other invitees of Declarant (including, without limitation, prospective purchasers of Declarant or Declarant's affiliates), the right to use and enjoy the Association Property and/or participate in Association events or functions, all as determined by Declarant in Declarant's sole and absolute discretion and without the consent of the Association and/or the Owners.
- I. The right of the Association, by action of the Board, to reconstruct, replace, or refinish any Improvement or portion thereof upon the Association Property, in accordance with the original design, finish, or standard of construction of such Improvement.
- J. The right of the Association to replace sod, destroyed trees or other vegetation and plant trees, shrubs, and ground cover upon any portion of the Association Property, except as may be prohibited by the Water Management District Permit.
- K. The right, however, not the duty, of the Association by action of the Board to seek the vacation of publicly dedicated streets, if any, upon the Property.
- L. The right, however, not the duty, of the Association, following a tropical storm, hurricane or other Act of God, to upright and/or remove any fallen or dislodged trees on: (i) any Lot, and/or (ii) any grassed areas located between the front and/or sides of such Owner's Lot and the Street; all as more particularly set forth in Article X below.
- M. The easements provided elsewhere in this Declaration, and those designated on the Plats, including, but not limited to, those set forth in this Article V.
- N. The right of the Association to provide for the maintenance, preservation and architectural control of Lots, Improvements and other properties as set forth in this Declaration.
- O. The right of the Association and the Declarant Parties to come upon the Property (including, without limitation, Association Property as well as a Lot, other than entry into a Home, even after the same has been conveyed to an Owner) as may be necessary or convenient for the Association and/or the Declarant to exercise their respective rights and remedies, and to carry on their respective duties and obligations under and pursuant to the

Governing Documents (including, without limitation, Declarant's development and construction of the Community and Homes therein).

- The right of the Association to require Owner's and/or Occupant's execution of a release and waiver in a form determined by the Association (the "Amenities Release") prior to: (i) Owner's and/or Occupant's use of the Community recreation amenities and facilities including, without limitation: the clubhouse, lifestyle facility (if any), recreation tract, all pathways, pool, spa, restaurant, bars, and/or any portion of any of the foregoing amenities and facilities, and/or the equipment and facilities located thereon and therein (each referred to herein individually as a "Recreation Amenity" and collectively as the "Recreation Amenities") which are owned, operated and/or maintained by the Association, and/or (ii) participation in any and all activities sponsored, promoted or set up by the Association and whether or not such activities take place on the Association Property, other portions of the Property and/or elsewhere ("Association Events"). Such Amenities Release executed by Owner and/or Occupant shall, among other things, include releases, waivers, hold harmless and indemnification provisions in favor of the Association (and its directors and officers) and the Declarant Parties arising out of and/or in any way connected with use by Owner and Owner's Occupants (including, without limitation, their respective family members (minor or otherwise), guests and/or invitees) of the Recreation Amenities, participation in Association Events, and/or use or participation in any other service, product, activity, league, class, program or instruction offered or sold by Association and/or the Declarant Parties at or in connection with the Recreation Amenities and/or Association Events. The form of Amenities Release to be used may be modified by the Board at any time and from time to time.
- Q. Each Owner and Occupant, by acceptance of a deed or title to a Lot or other right of occupancy thereof and/or use of the Association Property (or any portion thereof), hereby releases, waives, discharges and agrees to indemnify and hold Association (and its directors and officers) and the Declarant Parties harmless from any and all from any and all losses, claims, demands, suits, actions, causes of action, liabilities (including, without limitation, property damage, personal injury and/or death), judgments, damages (including, without limitation, secondary, incidental, consequential, special and/or punitive damages), fines, liens, encumbrances, penalties, fees, costs, expenses and other sums of whatever nature or kind (including, without limitation, attorneys' fees and costs up to and through all trial, appellate and post-judgment levels and proceedings, whether or not suit be brought) which Owner, Occupant and/or each of their family members (minor or otherwise), guests and/or invitees may have arising out of and/or in any way connected with their use of the Association Property. The foregoing release, waiver, discharge, indemnity and hold harmless expressly includes, without limitation, those relating to, arising out of, resulting from and/or in any way connected with acts, omissions and/or negligence of Association (and its directors and officers) and/or the Declarant Parties.
- R. The right of the Water Management District to use the Streets, Drives, Roads and/or Roadways for access to and from the drainage, easements, lake maintenance easements, boat ramps, lake access easements, and the Lakes, and the right of the County to use

the Streets, Drives, Roads and/or Roadways for access purposes by emergency vehicles and for the maintenance of utilities.

- S. The rights of the CDD and its respective employees, agents, licensees and invitees to come upon the Property (including, without limitation to use the Streets, Drives, Roads and/or Roadways), as may be necessary for the CDD to access the CDD Property and/or to operate, maintain and replace the systems, facilities and infrastructure both within and outside its boundaries and jurisdiction as necessary or desirable to serve the property within its boundaries.
- T. The right of the Association to suspend the rights of Owners and their Occupants to use the Association Property (including, without limitation, the Recreation Tract) except for legal access and parking (provided that requiring the use of guest or non-resident lanes through entry gates shall not be deemed a suspension of access rights), and the right to levy fines against Owners and their Occupants, all in accordance with the Governing Documents.
- U. The right of the Association to suspend voting rights of Owners that are more than ninety (90) days delinquent in the payment of any monetary obligation due to the Association.
- <u>Section 2.</u> <u>DELEGATION OF USE.</u> Any Owner may delegate, in accordance with the Bylaws, such Owner's right of enjoyment to the Association Property to the Occupants of such Owner who reside in such Owner's Home, subject to this Declaration, all of the Rules and Regulations presently in effect and any which may become effective in the future, and subject further to reasonable regulation by the Board and the suspension rights set forth in Section 1.T above.
- <u>Section 3.</u> <u>RECOGNITION OF EASEMENTS.</u> Each Owner, by acceptance of a deed or other instrument of conveyance, recognizes and consents to the easements reserved and/or granted with respect to the Property under this Declaration.
- <u>Section 4.</u> <u>EASEMENTS FOR VEHICULAR TRAFFIC.</u> In addition to the general easements for use of the Association Property reserved herein, there shall be, and Declarant hereby reserves, grants, and covenants for itself and all future Owners, Owners' Occupants, Institutional Mortgagees of the Property (or portions thereof), and to the Association, that all of the foregoing shall have a perpetual nonexclusive easement for vehicular traffic over (i) all streets within or upon the Property dedicated to the public use, if any (as well as alcoves, cul de sacs, and other private, paved areas abutting or serving the same), and (ii) any private Streets, Drives, Roads and/or Roadways within or upon the Property.
- <u>Section 5.</u> <u>ACCESS EASEMENT.</u> Declarant hereby reserves perpetual, nonexclusive easements of ingress and egress over and across: (i) any and all streets within or upon the Property dedicated to the public use, if any (as well as alcoves, cul de sacs, and other private, paved areas abutting or serving the same), (ii) any and all private Streets, Drives, Roads and/or Roadways and driveways within or upon the Property, and (iii) all other portions of the Property,

any of the foregoing of which are necessary or convenient for enabling Declarant to carry on and complete the work and/or exercise its rights referred to in this Declaration, as well as the sales, marketing, construction and servicing of Homes and other properties of Declarant and/or its affiliates. All of the foregoing easements shall be for the use of Declarant and Declarant's employees, contractors, agents, invitees, licensees, successors and assigns.

- <u>Section 6.</u> <u>GRANT AND RESERVATION OF EASEMENTS</u>. Declarant hereby reserves and grants the following perpetual, nonexclusive easements over and across the Property as covenants running with the Property for the benefit of the Owners, the Association, the CDD and Declarant as hereinafter specified for the following purposes:
- A. <u>Utility and Services Easements</u>. All of the Property shall be subject to an easement or easements to provide for: (i) installation, service, meter reading, repair and maintenance of the equipment required to provide utility services other than Community Systems to the Association Property and the Lots, including, but not limited to, power, lights, telephone, gas, water, sewer, irrigation and drainage, and (ii) governmental services, including, but not limited to, police, fire, mail, health, sanitation, emergency services and other public service personnel, including reasonable rights of access for persons and equipment necessary for such purposes for the benefit of the applicable utility companies, agencies, franchises or Governmental Authorities.
- B. <u>Easement for Encroachment</u>. All of the Property shall be subject to an easement or easements for encroachment in favor of each Owner in the event any portion of such Owner's Home or appurtenant Improvements installed by Declarant such as stucco, fences, concrete bases for air conditioning compressors and/or underground footers, now or hereafter, encroach upon any of the Lots and/or Association Property as a result of minor inaccuracies in survey or construction, by design, and/or due to settlement or movement. Such encroaching Improvements installed by Declarant shall remain undisturbed for so long as the encroachment exists. Any easement for encroachment shall include an easement for the maintenance and use of the encroaching Improvements in favor of the Owner thereof or such Owner's designees.
- C. <u>Easement to Enter Upon Lots</u>. An easement or easements for ingress and egress in favor of the Association, including the Board or the designee of the Board, to enter upon the Lots for the purposes of fulfilling its duties and responsibilities of ownership, maintenance and/or repair in accordance with the Governing Documents, including, by way of example, the making of such repairs, maintenance or reconstruction as are necessary for the Association Property and to maintain any Lot in the event the Owner thereof fails to do so.
- D. <u>Easement Over Association Property</u>. An easement of enjoyment in favor of all Owners and Occupants in and to the Association Property which shall be appurtenant to and shall pass with a deed or title to every Lot in the Property, subject to the following:

- (1) the right of the Association to suspend the right to use the Association Property of any Owner and/or such Owner's Occupants in accordance with the Governing Documents and applicable Law;
- (2) the right of the Association to grant permits, licenses and easements over the Association Property for utilities and other purposes reasonably necessary or useful for the proper maintenance or operation of the Property;
- (3) all easements, rights-of-way, dedications and restrictions set forth on the Plats; and
 - (4) all provisions set forth in the Governing Documents.
- E. Drainage and Drainage System Easement. An easement for drainage and flowage over, under and upon the Property, including each of the Lots, in favor of the Association, the CDD and the Water Management District including, but not limited to, reasonable rights of access for persons and equipment to construct, install, operate, maintain, alter, inspect, remove, relocate, repair and/or replace the Drainage System and any portions thereof. By this easement, the Association, the CDD and the Water Management District shall have the right to enter upon any portion of any Lot or any portions thereof, at a reasonable time and in a reasonable manner, to operate, maintain, repair or replace the Drainage System as required by the County, the Water Management District and the Water Management District Permit. In addition, Declarant reserves and grants to the Association, the CDD and Water Management District a perpetual, nonexclusive, ingress, egress and access easement over and across all private streets and roads and all dedicated access easements created by the Plats, as may be necessary or convenient for the Association, the CDD and Water Management District to obtain access to and from the Drainage System, and for enabling the Association and Water Management District to carry out any work permitted to be performed under the Water Management District Permit and/or this Declaration. Notwithstanding the foregoing, in the event of any damage caused by Owner or their Occupants to the Drainage System or any portions thereof (including, without limitation, any portions of the Drainage System located upon such Owner's Lot), the cost of the repairs and/or replacements resulting from such damage shall be paid by such Owner. Except only for sod or fences as approved by the Committee as provided in Article IX below, no Owner shall install any other Improvements whatsoever in, on, over or across any Drainage Easement. In addition, in the event the Association and/or Governmental Authorities wish to obtain ingress and/or egress to the Drainage Easement for any purpose including, without limitation, installation, maintenance or repairs of the improvements located therein, Owner shall, at its sole cost and expense, remove those portions of the sod and/or fences which may be required in order for the Association and/or Governmental Authorities to obtain access in and to the improvements. Except for emergency situations, in the event the Owner fails to comply within fifteen (15) days of receipt of written notice from the Association and/or the Governmental Authorities requesting the removal of the sod and/or fences, the Association may remove any and all portion of the sod and/or fences and Owner shall be responsible for all removal costs. The Association shall be entitled to levy an assessment equal to the removal costs of the sod and/or fences against the

Owner and its respective Lot, and such Assessment shall constitute a lien upon the applicable Lot with the same force and effect as a lien for Operating Expenses. Owner shall, at its sole cost and expense, be responsible to replace and reinstall any portions of the sod and/or fences removed pursuant to this Section 6.E. No Owner shall install any plantings, landscaping, levees and/or other Improvements whatsoever in, on, over or across any drainage easement. By this easement, the Association and/or CDD shall have the right to enter upon any portion of any Lot to operate, maintain, and repair the Drainage System as required by the Water Management District.

- F. <u>Irrigation and Irrigation System Easement</u>. An easement for irrigation over, under and upon the Property, including each of the Lots (collectively, the "Irrigation Easements"), in favor of the Association including, but not limited to, reasonable rights of access for persons and equipment to construct, install, maintain, alter, inspect, remove, relocate, repair and/or replace the Irrigation System including, without limitation, all irrigation pipes, pumps, sprinklers and related equipment. Notwithstanding the foregoing, in the event of any damage caused by Owner to the Irrigation System or any portions thereof (including, without limitation, any portions of the Irrigation System located upon such Owner's Lot), the cost of the repairs and/or replacements resulting from such damage shall be the responsibility of and paid for by such Owner.
- G. Drainage System and Irrigation System Encroachment Easement. An easement for encroachment over, under and upon the Drainage Easements and Irrigation Easements located within the Lots, if any, in favor of: (i) the Owner of the Lot upon which the Drainage Easement and/or irrigation easement, as applicable, are located for the existence of any driveway and/or sidewalk or irrigation system, or part thereof, encroaching over, under and upon such Drainage Easement and/or irrigation easement, as applicable, (ii) the Association and CDD for reasonable rights of access for persons and equipment to construct, install, maintain, alter, inspect, remove, relocate and repair any driveway and/or sidewalk or irrigation system, or part thereof installed or located over, under and upon such Drainage Easement and/or irrigation easement, as applicable, and (iii) the Water Management District for access for persons and equipment for proper purposes. In the event the Association requires access to any Drainage System and/or Irrigation System improvements within a Drainage Easement or irrigation easement located within a Lot upon which any such driveway and/or sidewalk or irrigation system encroaches, the Association has the obligation, at its own cost and expense, to remove and replace any such encroachment, and to return it to its condition immediately preceding such removal and replacement once access to the Drainage Easement or irrigation easement, as applicable, is no longer required. The flowage easements providing for drainage run between each of the Lots parallel to and over the side lot line thereof, draining either from the rear to the front, or from the front to the rear of the Lots. In addition, Declarant may, but is not obligated to, convey easements to the owners of adjacent properties (or portions thereof) to provide legal positive outfall for runoff from such adjacent properties.
- H. <u>Lake Maintenance Easements</u>. Easements in favor of the Association and CDD over Lakes or Open Spaces as shown on the Plats for the purpose of maintaining and accessing the Lakes and the storm water management and drainage facilities within the Lakes.

- I. <u>Lift Station Easements</u>. Easements in favor of the County for ingress, egress and access to and from the Lift Station Tracts as shown on the Plats, and for the installation, repair, maintenance and service of equipment, lines and other structures necessary to supply sanitary sewer and drinking water services to and from the Community.
- J. Rear Yard Drainage Swale Easement. Declarant hereby reserves and grants a perpetual, nonexclusive drainage easement ("Rear Yard Drainage Swale Easement") over and across the rear five feet (5') of all "Non-Lake Lots" (except with respect to Back to Side Lots, as further as described below). As used in this Declaration, a "Non-Lake Lot" means a Lot in which no portion of such Lot is abutting any portion of a Lake. The Rear Yard Drainage Swale Easement shall be for drainage and flowage of storm water runoff, and the pipes and other ancillary equipment installed to provide for such drainage and flowage. Except as expressly provided in the following sentence, and except for any Improvements, landscaping and other additions made or installed by Declarant, no planting, landscaping and/or Improvements whatsoever, including, without limitation, pool decks, patios, screen enclosures, hedges, trees, etc. shall be permitted within the Rear Yard Drainage Swale Easement. Notwithstanding the foregoing, each Owner of a Non-Lake Lot shall have the right to seek approval from the Association for the installation of a fence across the Rear Yard Drainage Swale Easement to the rear property line of the Non-Lake Lot, subject to the terms and conditions of the Governing Documents including, without limitation, the architectural control provisions of Article IX below.

All Non-Lake Lots whose rear boundary line of the Lot abuts the side boundary line (or portion thereof) of another Lot (a "Back to Side Lot") is subject to a Rear Yard Drainage Swale Easement across the rear two feet (2') of the lot for drainage and flow of storm water runoff. No planting, landscaping and/or improvements whatsoever, including, without limitation, pool decks, patios, screen enclosures, hedges, trees, etc. shall be permitted within the Rear Yard Drainage Swale Easement. Fences may be installed in the Rear Yard Drainage Swale Easement on a Back to Side Lot as long as the fence is constructed in a manner that will not block or cause any storm water runoff to discharge onto any adjacent property (such as Association Property) and keeps the runoff on the Lot. All improvements are still required to obtain approval from the Association's Architectural Control Committee. To obtain approval, applicants must document that the approved drainage patterns will not be altered, and post-construction verification will be required.

K. <u>Rear Yard Landscape Easement</u>. On all Back to Side Lots, Declarant hereby reserves and grants a perpetual, nonexclusive three foot (3') landscape easement ("Rear Yard Landscape Easement") in the rear of the Lot. On all such Back to Side Lots, the Rear Yard Landscape Easement shall lie on the Lot adjacent and contiguous to the Rear Yard Drainage Swale Easement (i.e., the side of the Rear Yard Landscape Easement closer to the Home). The Rear Yard Landscape Easement shall be used only for the installation of landscape material by the Declarant. Except only for a fence as provided below, and except for any Improvements, landscaping and other additions made or installed by the Declarant, no planting, landscaping and/or Improvements whatsoever, including, without limitation, pool decks, patios, screen enclosures, hedges, trees, other landscaping, etc. shall be permitted to be installed by Owner

within any Rear Yard Landscape Easement. Each Owner of a Back to Side Lot that is subject to the Rear Yard Landscape Easement shall have the right to seek approval from the Association for the installation of a fence across the Drainage Swale Easement and Rear Yard Landscape Easement to the rear property line of the Lot, as appropriate, subject to the terms and conditions of the Governing Documents including, without limitation, the architectural control provisions of Article IX below. No Owner may remove any landscape material installed by the Declarant in the Rear Yard Landscape Easement except only to replace dead, damaged, dying or decaying material in which event such dead or dying material shall be replaced by Owner with replacement material of similar size and species of that being replaced.

- L. <u>Platted Easements</u>. All other easements as shown on the Plats, for the purposes stated therein.
- M. Air Space Easement. An easement over and across the Property (including all Lots, Homes, and Association Property) in favor of Declarant and the Association to operate and fly unmanned aerial vehicles including, without limitation, drones (collectively, "UAVs") subject only to limitations imposed by applicable Laws and the Association's Rules and Regulations. Such rights include, without limitation, the use of imaging and other devices to record photographs, video and sound. Use of UAVs by Declarant and the Association shall not be deemed a nuisance or a violation of anyone's privacy, and shall not be interfered with by any Owner or any of Owner's Occupants. Each Owner and such Owner's Occupants are hereby put on notice of, and expressly consents to, such recordings and therefore waives any right to privacy resulting from Declarant's and/or the Association's use of UAVs and the easement created hereby. This easement is not, however, for the benefit of any Owners (other than Declarant) and therefore use of UAVs by Owners and their Occupants over any portion of the Property (including, without limitation, the Association Property and/or any of the Lots, even the Lot owned by Owner) is prohibited except and to the extent expressly permitted by the Rules and Regulations, if any, regarding use and operation of UAVs by Owners and their Occupants.
- <u>Section 7.</u> <u>EASEMENT FOR COMMUNITY SYSTEMS.</u> Notwithstanding anything to the contrary in this Declaration, Declarant and its affiliates and their respective designees shall have a perpetual exclusive easement over, across, upon and under the Association Property and the Lots for the installation, operation, maintenance, repair, replacement, alteration and expansion of Community Systems.
- <u>ASSIGNMENTS</u>; <u>ADDITIONAL EASEMENTS</u>. The easements reserved hereunder may be assigned by Declarant or the Association in whole or in part to any city, county or state government or agency thereof, or any duly licensed or franchised public utility, or any other designee of Declarant. Declarant, and after the Turnover Date, the Association, shall have and hereby reserves the right to grant and/or reserve additional easements over, under and upon the Property or portions thereof (including the portion of Lots where no physical structure of the Home is located) which may be necessary or desirable by Declarant, and after the Turnover Date, the Association. The Owners hereby authorize Declarant and/or the Association to execute, on their behalf and without any further authorization, such grants of easement or other instruments

as may from time to time be necessary to grant easements over and upon the Property or portions thereof in accordance with the provisions of this Declaration.

Notwithstanding anything in this Declaration to the contrary, the easement rights granted to or reserved by Declarant hereunder are not to be construed as creating an affirmative obligation to act on the part of Declarant.

ARTICLE VI MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION; BOARD; DURATION OF THE ASSOCIATION

<u>MEMBERSHIP AND VOTING RIGHTS</u>. The Association is the entity responsible for management, maintenance, operation and control of the Association Property. Membership in the Association shall be established, governed, modified and terminated as set forth in the Articles and Bylaws. Each Member shall be entitled to the benefit of, and be subject to, the provisions of the Governing Documents. The voting rights of the Members shall be as set forth in the Articles and Bylaws.

<u>Section 2.</u> <u>BOARD</u>. The Association shall be governed by the Board which shall be appointed, designated or elected, as the case may be, as set forth in the Articles and Bylaws.

<u>Section 3.</u> <u>DURATION OF ASSOCIATION</u>. The duration of the Association shall be perpetual, as set forth in the Articles. In the event of termination, dissolution or final liquidation of the Association, the responsibilities for the operation and maintenance of the Drainage System must be transferred to and accepted by an entity approved by the Water Management District prior to such termination, dissolution or liquidation.

ARTICLE VII

COVENANT TO PAY ASSESSMENTS; ESTABLISHMENT OF LIENS; COLLECTION OF ASSESSMENTS; COLLECTION BY DECLARANT; CERTAIN RIGHTS OF DECLARANT AND INSTITUTIONAL MORTGAGEES

<u>Section 1.</u> <u>AFFIRMATIVE COVENANT TO PAY ASSESSMENTS.</u> In order to: (a) fulfill the terms, provisions, covenants, restrictions, easements, reservations, conditions, limitations, rules, regulations, charges, burdens and liens contained in the Governing Documents; and (b) own, manage, operate, maintain, repair, replace and preserve the Association Property for the use, safety, welfare and benefit of the Owners and their Occupants, there is hereby imposed upon each Completed Lot, and Incomplete Lot, and each Completed Lot Owner and Incomplete Lot Owner, the affirmative covenant and obligation to pay to the Association commencing from and after the first conveyance of a Completed Lot from Declarant as evidenced by the recordation of a deed in the Public Records (in the manner herein set forth), all Assessments as set forth herein, which Assessments may include, but are not limited to, the Individual Lot Assessments, Special Service Assessments and Special Assessments, as applicable. Each Owner, by acceptance of a deed or other instrument of conveyance conveying a Lot within the Property, whether or not it

shall be so expressed in such deed or instrument, shall be obligated and agrees to pay to the Association all Assessments in accordance with the provisions of the Governing Documents.

The following expenses of the Association are hereby declared to be Operating Expenses which the Association is obligated to assess and collect, and which the Owners are obligated to pay as provided herein or as may be otherwise provided in the Governing Documents: (1) all taxes (including, without limitation, real property taxes) and tax liens which may be assessed or levied at any and all times against the Association Property, the Community Systems or against any and all personal property or Improvements thereon; (2) all charges levied for Community Systems or other utilities providing services for the Association Property or to Owners on a bulk basis, such as water, gas, electricity, telephone, cable television, internet access, sanitation, sewer and any type of utility or any other type of service charge which is not separately billed to an Owner; (3) the premiums on policies of insurance including, but not limited to, liability and casualty insurance for the Association Property and directors and officers liability insurance for the officers and directors of the Association; (4) all fees, costs, expenses and other sums necessary for the ownership, maintenance, repair and replacement of the Association Property and all Improvements located thereon; (5) all administrative and operational fees, costs, expenses and other sums incurred by the Association, including, without limitation, compensation paid by Association to managers, accountants, attorneys and other agents, employees and independent contractors providing labor and services to the Association (such as, by way of example and not limitation, charges associated with an on-site restaurant in the form of a restaurant subsidy and/or a food and beverage allowance, without regard to whether such funds are credited to each Owner); (6) all fees, costs, expenses and other sums of owning, operating, maintaining, repairing and replacing the Irrigation Systems; (7) all fees, costs, expenses and other sums of owning, operating, maintaining, repairing and replacing the Drainage System, including, without limitation, retention areas, drainage structures and Drainage Easements; (8) any and all other fees, charges, expenses and other sums deemed to be Operating Expenses by the Board and/or under this Declaration; (9) all fees, costs, expenses and other sums for the monitoring and maintenance of any on-site Conservation Areas required to be performed within the Conservation Areas each year until the Water Management District determines that the Conservation Areas are successful as defined and described in accordance with the Water Management District Permit; and (10) any and all fees, rates, charges, taxes and assessments imposed by the CDD on the Association Property. The Board may, if it so determines, include a contingency or other general fund in the Association's annual budget. To the extent sufficient funds for repair or replacement of existing Improvements is not available, then such expenses associated with such repair or replacement of existing Improvements shall be subject to a Special Assessment which such Special Assessment shall not be subject to a vote of the Members.

Pursuant and subject to the HOA Act, the Board may, if it so determines, include reserves for replacements, capital expenditures, deferred maintenance and other items in the Association's annual budget; however, reserves are not part of, and are specifically excluded from, Operating Expenses. If reserves are so included in the Association's annual budget, reserves shall be payable only by Completed Lot Owners. Notwithstanding anything to the contrary in the

Governing Documents, and unless otherwise prohibited or limited by the HOA Act, Declarant shall be exempt from the payment or funding of any reserves, if established.

In addition, any expense which is to be the matter of one or more Special Assessments shall not be deemed to be an Operating Expense. Expenses which are required to be the matter of Special Assessment include, by way of example but not by way of limitation, the following: (1) the fees, costs, expenses and other sums necessary for improving the Association Property or any portion thereof; (2) the fees, costs, expenses, and other sums necessary for repairing or replacing the Association Property or any portion thereof or Improvements thereon to the extent that sufficient funds are not available on hand for such repair or replacement; (3) any casualty loss affecting the Association or the Association Property (including, without limitation, reconstruction of Association Property) to the extent such loss exceeds the insurance proceeds, if any, received by the Association as a result of such loss; (4) any judgment against the Association (or against a director or directors if and to the extent such director is, or such directors are, entitled to be indemnified by the Association therefor pursuant to the Articles) to the extent such judgment exceeds the insurance proceeds, if any, received by the Association as a result of such judgment, or an agreement by the Association (or such director or directors to whom indemnification is owed) to pay an amount in settlement of a lawsuit against it (or such director or directors) to the extent such settlement exceeds the insurance proceeds, if any, received by the Association as a result of such settlement agreement; and (5) Legal Fees incurred by the Association in connection with litigation (whether incurred for the preparation, filing, prosecution or settlement thereof or otherwise), except Legal Fees incurred by the Association in connection with the collection of Assessments or other charges which Owners are obligated to pay pursuant to the Governing Documents or the enforcement of the use and occupancy restrictions contained in the Governing Documents, and except Legal Fees incurred for lawsuits not approved pursuant to Article XV, Section 12 below.

The Operating Expenses with respect to the Association Property are payable by each Owner to the Association notwithstanding the fact that Declarant may not have as yet conveyed title to some or all of the Association Property to the Association.

<u>Section 2.</u> <u>ESTABLISHMENT OF LIENS.</u> Each Assessment against a Lot, together with Interest thereon, late charges imposed and costs of collection, including, but not limited to, Legal Fees, shall be the personal obligation of the Owner of such Lot. Any and all Assessments made by the Association in accordance with the provisions of the Governing Documents with Interest thereon, late charges imposed and costs of collection, including, but not limited to, Legal Fees, are hereby declared to be a charge and continuing lien (the "Assessment Lien") upon each Lot against which each such Assessment is made. Said Assessment Lien shall relate back to and be effective from the date of recordation of this Declaration. However, as to first mortgages of record, the Assessment Lien is effective only from and after recording of a claim of lien (a "Claim of Lien") in the Public Records setting forth the amounts due and owing to the Association and such other information as required by the HOA Act. Notwithstanding anything to the contrary herein contained, in the event an Institutional Mortgagee of record obtains a deed or title to a Lot as a result of foreclosure of its first mortgage or deed in lieu of foreclosure, such acquirer of a deed

or title, its successors or assigns, shall be liable for Assessments pertaining to such Lot and/or chargeable to the former Owner except and to the extent limited by applicable Florida Law.

- <u>Section 3.</u> <u>COLLECTION OF ASSESSMENTS.</u> In the event any Owner shall fail to pay any Assessment, or installment thereof, charged to such Owner within fifteen (15) days after the same becomes due, then the Association, through its Board, shall have any and all of the following remedies to the extent permitted by Law, which remedies are cumulative and which remedies are not in lieu of, but are in addition to, all other remedies available to the Association:
- A. To accelerate the entire amount of any Assessment for the remainder of the calendar year notwithstanding any provisions for the payment thereof in installments.
- B. To advance on behalf of the Owners in default, funds to accomplish the needs of the Association up to and including the full amount for which such Owners are liable to the Association and the amount or amounts of monies so advanced, together with Interest and all costs of collection thereof, including, but not limited to, Legal Fees, may thereupon be collected by the Association from the Owners, and such advance by the Association shall not waive the default.
- C. To file an action in equity to foreclose its lien at any time after the effective date thereof as provided in Section 2 above. The lien may be foreclosed by an action in the name of the Association in like manner as a foreclosure of a mortgage on real property. The Association, through a duly authorized officer or agent, shall have the power to bid on the Lot at the foreclosure sale, with credit given for the amount of the judgment and to acquire and hold, lease mortgage and/or convey such Lot.
- D. To file an action at Law to collect said Assessment plus Interest and all costs of collection thereof, including, but not limited to, Legal Fees, without waiving any lien rights or rights of foreclosure of the Association.
- E. To charge Interest on such Assessment from the date it becomes due, as well as a late charge in the highest amount permitted by Law, and if no such late charge is designated by Law, then Twenty-Five and No/100 (\$25.00) Dollars, to defray additional collection costs.
- F. To suspend the rights of Owners (and their Occupants) in default to use the Association Property, if such Owner is delinquent in payment of Assessments for more than ninety (90) days, subject to the Notice and Hearing provisions of Article XI, Section 1 below.
- G. To suspend the rights of Owners in default to vote on any matter on which Owners have the right to vote if such Owner is delinquent in payment of Assessments for more than ninety (90) days, but subject to any restrictions or prohibitions in the HOA Act.

H. To collect any monetary obligation, including delinquent Assessments due for the Home from the rents paid by any tenant occupying the Home if the Owner has leased the Home. In such case, the tenant shall remit such delinquent Assessments and other amounts due the Association directly to the Association upon written notice from the Association that the Owner is delinquent in the payment of its monetary obligations and the tenant may deduct such amounts paid to the Association from the rent due to the Owner. The Association has the right to require Owners to use a lease addendum, the form of which may be prescribed by the Association, which provides, among other things, that the tenant will pay the rent due under the lease directly to the Association upon receipt of notice from the Association that the Owner is delinquent in amounts due to the Association.

<u>Section 4.</u> <u>CURING OF DEFAULT</u>. Upon full payment of all sums secured by the Assessment Lien (including, without limitation, payment of all delinquent principal, interest, late charges, costs of collection and Legal Fees), a duly authorized officer or agent of the Association shall record in the Public Records an appropriate release for the sums paid (and release of the Claim of Lien, if applicable) upon payment by the defaulting Owner of a fee, to be determined by the Association, but not to exceed Two Hundred Fifty Dollars (\$250.00), to cover the cost of preparing and recording the applicable releases.

Section 5. CUMULATIVE REMEDIES. The Assessment Lien and the rights to foreclosure and sale thereunder, shall be in addition to and not in substitution for all other rights and remedies which the Association and its assigns may have hereunder and under law or in equity, including a suit to recover a money judgment for unpaid Assessments, as above provided. Notwithstanding anything to the contrary herein contained, in the event an Institutional Mortgagee of record obtains a deed or title to a Lot as a result of foreclosure of its first mortgage or deed in lieu of foreclosure, such acquirer of a deed or title, its successors or assigns, shall be liable for Assessments pertaining to such Lot and/or chargeable to the former Owner except and to the extent limited by the HOA Act. However, any third party who acquires title to a Lot as a result of a first mortgagee's foreclosure of its first mortgage upon such Lot, or by deed in lieu of foreclosure, shall be jointly and severally liable with the previous Owner for all Assessments, fees (including, without limitation, Legal Fees), costs, expenses, and other monetary obligations due and owing to the Association that have accrued against the subject Lot prior to such third party acquiring title to such Lot. For purposes of additional clarification, the term "successors or assigns" as used in this Section strictly refers to any person or entity who lawfully acquires the first mortgage from the Owner's first mortgagee; therefore, a third party who acquires title as a result of the first mortgagee's foreclosure, or by deed in lieu of foreclosure, shall not be considered a successor or assignee of the first mortgagee.

<u>Section 6.</u> <u>COLLECTION BY DECLARANT.</u> In the event for any reason the Association shall fail to collect the Assessments (or any portions thereof), Declarant shall at all times have the right (but not the obligation): (i) to advance such sums as the Association could have advanced as set forth above; and (ii) to collect such Assessments and, if applicable, any such sums advanced by Declarant, together with Interest and costs of collection, including, but not limited to, Legal Fees.

AND RECEIVE REIMBURSEMENT. Declarant and any Institutional Mortgagees shall have the right, but not the obligation, jointly or individually, and at their sole option, to pay any of the Assessments which are in default and which may or have become a charge against any Lots. Further, Declarant and any Institutional Mortgagee shall have the right, but not the obligation, jointly or individually, and, at their sole option, to pay insurance premiums or fidelity bond premiums or other required items of Operating Expenses on behalf of the Association in the event the same are overdue and when lapses in policies or services may occur. Declarant and any Institutional Mortgagee paying overdue Operating Expenses on behalf of the Association will be entitled to immediate reimbursement from the Association plus Interest and any costs of collection including, but not limited to, Legal Fees, and the Association shall execute an instrument in recordable form acknowledging such reimbursement obligations and deliver the original of such instrument to each Institutional Mortgagee who is so entitled to reimbursement and to Declarant if Declarant is entitled to reimbursement.

Section 8. COMMUNITY SYSTEMS SERVICES. The Association shall have the right to enter into one or more agreements ("Bundled Service Agreements") for receipt of television (via cable, satellite or otherwise), entertainment, telecommunication, internet, monitored alarm and/or other services (collectively, "Bundled Services") for Homes in the Community. Any and all fees, costs, expenses and other sums incurred by the Association under or pursuant to any Bundled Service Agreements entered into by the Declarant or Association for Bundled Services will be assessed against all Completed Lot Owners. It is contemplated that there may be features and services that are or will be available in addition to and not part of the Bundled Services (each, an "Optional Service"). Notwithstanding anything to the contrary contained in this Declaration, the fees, costs, expenses and other sums charged to the Association under the Bundled Service Agreements shall be apportioned equally, but only amongst those Homes with respect to which the Association is being charged under or pursuant to the Bundled Service Agreement except to the extent, if any, that any Owner elects to receive an Optional Service (being a service not automatically received by all Owners entitled to receive Bundled Services pursuant to the Bundled Service Agreements). Each Owner who receives an Optional Service, if any, shall be responsible for paying for the costs of such Optional Services and for any hook-up costs, any converter boxes, remote control units, and the charge therefor shall be billed directly to Owner. The foregoing shall in no way obligate Declarant or the Association to enter into any Bundled Service Agreement.

<u>Section 9.</u> <u>VENDOR CHARGES.</u> All Owners shall be liable to pay all fees, costs, expenses and other sums charged to Owner and/or such Owner's Occupants by the Association's vendors for services rendered to the Owner and/or such Owner's Occupants at the time such services are provided (hereinafter collectively referred to as "**Vendor Charges**"). Such services shall include, by way of example and not limitation and without obligation to provide same: food and beverage services, fitness-related services (including, without limitation, fitness classes, tennis classes, pickleball classes and/or personal training) and/or spa services, if any. In the event any Owner and/or Owner's Occupant fails to pay any Vendor Charges for services rendered, the Association shall have the right, but not the obligation, to pay the vendor for the Vendor Charges owed by

Owner and/or Owner's Occupants. If the Association elects to make such payment to the vendor on the Owner and/or Occupants' behalf (which the Association shall have no obligation whatsoever to do), the amount of the Vendor Charges paid by the Association shall be deemed an Assessment against such Owner's Lot, and said Assessment shall constitute a lien upon the Owner's Lot and Home with the same force and effect as liens for Operating Expenses as described this Article VII. All Vendor Charges are in addition to all other fees, costs, expenses and other sums (including, without limitation, Assessments) due under this Declaration.

ARTICLE VIII METHOD OF DETERMINING ASSESSMENTS AND ALLOCATION OF ASSESSMENTS

<u>Section 1.</u> <u>DETERMINING AMOUNTS OF ASSESSMENTS</u>. The total anticipated Operating Expenses for each calendar year shall be set forth in an estimated annual operating budget ("**Budget**") prepared by the Board as required under the Governing Documents.

- A. For each Budget to be adopted prior to the Turnover Date, upon completion of a proposed Budget by the Board (but prior to its adoption), the Board shall deliver same to Declarant following which Declarant shall provide the Board: (i) the estimated number of Completed Lots that Declarant anticipates will come into existence by the end of the calendar year covered by the proposed Budget or an average number of Completed Lots anticipated for such year, and (ii) the amount of Voluntary Contributions, if any, that Declarant is willing to make pursuant to Section 5.E below and Section 7 below during the calendar year covered by the proposed Budget, but which Declarant shall have absolutely no obligation whatsoever to make.
- B. Using the information provided by Declarant, among other things, the Board shall then adopt a Budget in accordance with the Governing Documents which shall include Individual Lot Assessments and Special Service Assessments as described and calculated in accordance with this Article VIII, as well as any reserves determined by the Board, but excluding any expected or possible Special Assessments.
- C. Each Completed Lot and Incomplete Lot shall be assessed its *pro rata* portion of the total anticipated Operating Expenses, which shall be the "Individual Lot Assessment" as to each Lot. The Individual Lot Assessment shall be based upon the level of service to each Lot and the state of the Lot's development and completion, with the Owners of Completed Lots paying the Operating Expenses on a twenty to one ratio (20:1) compared to the Owners of Incomplete Lots, calculated as set forth below. In that regard, the Individual Lot Assessment for an Incomplete Lot shall be determined by dividing the total anticipated Operating Expenses by an amount equal to the sum of: (a) the product obtained by multiplying the total number of Completed Lots by twenty (20), and (b) the sum of such product and the total number of Incomplete Lots. The Individual Lot Assessment for a Completed Lot shall be an amount equal to the product obtained by multiplying the Individual Lot Assessment for an Incomplete Lot (as calculated above) by twenty (20). At such time as Declarant has conveyed title to all of the Homes

on all of the Lots, each Lot shall be a Completed Lot and the Individual Lot Assessment shall be equal for each Lot.

- D. In addition to the Individual Lot Assessment, each Lot shall be assessed for the fees, costs, expenses and other sums for any special services provided to or for the benefit of such Lot, or to reimburse the Association for the fees, costs, expenses and other sums incurred in connection with or for such special services, which shall be the "Special Service Assessment" as to such Lot. The Special Service Assessment shall be based upon: (i) bids received and approved by the Board for any special services to be provided to one or more of the Lots in the Community, and/or (ii) contracts entered into by the Association for the providing of specific services to a particular Lot or Lots, which Special Service Assessments may be in different amounts for different Lots based on, among other things, such bids and/or contracts. The Board shall have the right to accept or reject any such bids and/or contracts as determined solely by the Board. By way of example, and for illustration purposes only, the Home Landscaping Services (as hereafter defined in Article X, Section 1.I below) shall be a Special Service Assessment for all Completed Lots. As a further example, alarm monitoring services which are provided only to Completed Lots shall also be a Special Service Assessment for such Completed Homes; however, alarm monitoring services which are provided to Association Property shall be an Operating Expense. Declarant reserves the right to change any such Home designations and to create new Home designations for Special Service Assessments as Declarant shall determine in Declarant's sole and absolute discretion. The Board shall have the sole and absolute discretion to determine whether fees, costs and/or expenses are Special Service Assessments, as will be reflected in each annual Budget of the Association. Notwithstanding anything to the contrary, except as may be limited by applicable Law, Declarant will not be obligated to pay Special Service Assessments: (i) for Incomplete Lots owned by Declarant and/or (ii) for any special services not provided to the Lots owned by Declarant.
- E. Notwithstanding anything in the Governing Documents to the contrary, any Assessment for Legal Fees incurred by the Association for lawsuits shall be the subject of Special Assessment and not the subject of an Individual Lot Assessment or Special Service Assessment so long as approved pursuant to Article XV, Section 12 below, except the Legal Fees incurred by the Association in connection with the collection of assessments or other charges which Owners are obligated to pay pursuant to the Governing Documents or the enforcement of the use and occupancy restrictions contained in the Governing Documents.
- Section 2. ASSESSMENT PAYMENTS. Individual Lot Assessments and Special Service Assessments shall be payable quarterly, in advance, on the first day of January, April, July and October of each year, provided, however, at the Board's option, Individual Lot Assessments and/or Special Service Assessments may be payable monthly. Individual Lot Assessments and Special Service Assessments, and the quarterly or monthly installments thereof, may be adjusted from time to time by the Board to reflect changes in the number and status of Completed Lots and Incomplete Lots (thus apportioning all such Assessments and installments thereof among all Lots at the time such installment is due), changes in the Budget or in the event the Board determines that an Assessment or any installment thereof is either less than or more than the

amount actually required. When an Incomplete Lot becomes a Completed Lot during a period with respect to which an Assessment or installment thereof has already been assessed, such Completed Lot shall be deemed assessed the amount of such Assessment or installment thereof which was assessed against Completed Lots in existence at the time of such Assessment, prorated from the date the Lot became a Completed Lot through the end of the period in question. If the payment of such Assessment or installment thereof was due at the time the Lot became a Completed Lot or prior thereto, said prorated amount thereof shall be immediately due and payable.

SPECIAL ASSESSMENTS. "Special Assessments" shall include, in addition to other Section 3. Assessments designated as Special Assessments in the Governing Documents and whether or not for a fee, cost or expense which is included within the definition of Operating Expenses, those Assessments which are levied for capital improvements which include the fees, costs, expenses, and other sums (whether in whole or in part) which are needed to: (a) construct or acquire new Improvements for or on the Association Property, (b) reconstruct or replace Improvements to the extent that sufficient funds are not available on hand for such reconstruction or replacement, and/or (c) supplement reconstruction, repair or replacement expenses not covered by insurance. Special Assessments may also include the fees, costs, expenses, and other sums necessary for operation, maintenance and/or repair of Association Property or any portion thereof or Improvements thereon to the extent that sufficient funds are not available on hand for such operation, maintenance and/or replacement. In addition, Special Assessments may be levied against particular Lots and/or Owners to the exclusion of others based on the purpose of the Special Assessment and the benefits bestowed in fulfilling such purpose. Notwithstanding anything to the contrary herein contained, it is recognized and declared that Special Assessments shall be in addition to, and are not part of, any Individual Lot Assessment and/or Special Service Assessment. Any Special Assessments assessed against Lots and the Owners thereof shall be paid by such Owners in addition to any other Assessments, and shall be assessed in the same manner and using the same 20:1 ratio as the Individual Lot Assessment, subject to the Board's right to levy Special Assessments against only certain Lots or Owners as provided above. Special Assessments shall be paid in such installments or in a lump sum as the Board shall, from time to time, determine. Notwithstanding the foregoing, the levying of any Special Assessment after the Turnover Date shall require the affirmative consent of at least two-thirds (2/3) of all Members represented in person or by proxy at a meeting called and held in accordance with the Bylaws for all Special Assessments, except only any Special Assessment for: (a) repair, reconstruction or replacement of damaged or destroyed Improvements previously existing on Association Property (including, without limitation, landscaping) which shall be assessed in accordance with Article XIV below, (b) capital improvements necessary or desirable for the sole purpose of preservation of, or prevention of damage to Association Property, or (c) uprighting or removing any fallen or dislodged trees as set forth in Article X, Section 1.1 below; which shall not require such affirmative consent of at least two-thirds (2/3) of all Members. Except as provided in Article X, Section 1.L below, a membership vote for a Special Assessment is only required, however, when the proposed Special Assessment is related to Improvements not existing within the Community at the time of adoption, or if required by the HOA Act. Prior to the Turnover Date, but subject to any affirming vote of the Members if and to the extent required by the HOA Act, a Declarantcontrolled Board may levy a Special Assessment. Special Assessments are not included in the Deficit Funding, if any, set forth in Article VIII, Section 6 below.

Section 4. <u>LIABILITY OF OWNERS FOR ASSESSMENTS</u>. By the acceptance of a deed or other instrument of conveyance of a Lot in the Property, each Owner thereof acknowledges and agrees that each Lot and the Owners thereof are jointly and severally liable for their own Individual Lot Assessments, their applicable Special Service Assessments and their applicable portion of any Special Assessments, as well as for any and all other Assessments for which they are liable, as provided for in the Governing Documents. Such Owners further recognize and covenant that they are jointly and severally liable with the Owners of all Lots for the Operating Expenses (subject to any specific limitations provided for herein such as, but not limited to, the limitation with respect to matters of Special Assessment and the limitations on the liability of Institutional Mortgagees and their successors and assigns). Accordingly, subject to such specific limitations, it is recognized and agreed by each Owner, for such Owner and such Owner's heirs, executors, successors and assigns, that in the event any Owner fails or refuses to pay such Owner's Individual Lot Assessment, Special Service Assessment or any portions thereof, or such Owner's respective portion of any Special Assessment or any other Assessment, then the other Owners may be responsible for any shortfall in receipt of Individual Lot Assessments, Special Service Assessments or Special Assessments, or other Assessments due to the nonpayment or underpayment by such other Owner, and such additional Individual Lot Assessment, Special Service Assessment or Special Assessment, or any other Assessment can and may be enforced by the Association and Declarant in the same manner as all other Assessments hereunder as provided in the Governing Documents. Each Owner further acknowledges and agrees that it is possible that the Association may collect or spend more or less than the amounts budgeted for as Operating Expenses in each adopted Budget of the Association.

<u>Section 5.</u> <u>ASSESSMENTS PAYABLE BY DECLARANT</u>. Except as may be limited by applicable Law, Declarant has the right (at its sole election) to select one or more of the following, as may be applicable:

- A. <u>Deficit Funding</u>: Pay the Deficit during the Deficit Funding Period (as defined and described in Section 6 below), in which event Declarant shall be excused from payment of its share of Assessments related to its Lots owned by Declarant during the Deficit Funding Period;
- B. <u>Stated Guarantee</u>: Elect to guarantee the amount of Individual Lot Assessments and pay the Deficit during the Deficit Funding Period as provided in the HOA Act and, in the event of such election by Declarant, Declarant shall be excused from payment of its share of Assessments related to Lots owned by Declarant;
- C. <u>Assessments Based on Services Provided</u>: Pay Individual Lot Assessments for the Lots owned by Declarant in the same manner as other Owners, but at the 20:1 ratio as described in Section 1 above;

- D. <u>Special Service Assessments</u>: Not pay Special Service Assessments for Lots owned by Declarant if the special services giving rise to such Special Service Assessments are not provided to the Lots owned by Declarant; and/or
- E. <u>Voluntary Contributions</u>: Subsidize the Budget of the Association as described in Section 7 below by making Voluntary Contributions (as hereinafter defined) in amounts determined by Declarant in Declarant's sole and absolute discretion.

Section 6. DEFICIT FUNDING. If Declarant elects to pay the Deficit and be excused from payment of its share of Assessments as provided in Section 5.A or Section 5.B above, then during the Deficit Funding Period, Declarant shall be obligated to pay the difference ("Deficit"), if any, between: (a) the Operating Expenses (other than those Operating Expenses which are properly the subject of a Special Assessment) incurred by the Association during the Deficit Funding Period, and (b) the sum of (i) the amounts assessed as Assessments against Owners during the Deficit Funding Period, and (ii) all other income and/or revenue received by or on behalf of the Association including, but not limited to, Voluntary Contributions. The Deficit, if any, to be paid by Declarant pursuant to this Section 6 shall be determined by examining the entire Deficit Funding Period, without regard to quarterly, annual or any other accounting or fiscal periods and without regard to intra-period allocations. In that regard, in the event it is determined at the end of the Deficit Funding Period that Declarant has previously advanced funds to the Association in excess of the Deficit incurred during the Deficit Funding Period, Declarant shall be entitled to the immediate repayment from the Association of the amount of funds advanced by Declarant in excess of the Deficit. The Declarant's Deficit payment obligation, if any, expressly does not include payments of reserves, Special Service Assessments, Special Assessments and/or any unpaid Assessments of any kind by Owners. All Voluntary Contributions made by Declarant to the Association shall be applied to (and shall reduce) any Deficit owed to the Association by the Declarant.

"Deficit Funding Period" as used herein, and if applicable, shall mean and be defined as the period commencing with the Effective Date of this Declaration and ending upon the sooner to occur of: (i) the Turnover Date; or (ii) the date of delivery of written notice from Declarant to Association of Declarant's termination of the Deficit Funding Period, but in no event shall such termination be effective later than the Turnover Date.

Following expiration or termination of the Deficit Funding Period, each Owner shall be obligated to pay Assessments as set forth in Section 1 above and commencing at such time, Declarant shall be required to pay Individual Lot and Special Assessments on any Lots it owns but at the 20:1 ratio as provided in said Section 1.

Section 7. VOLUNTARY CONTRIBUTION. During the period of time that Declarant is offering Homes for sale in the Community and/or based on the number of Homes owned by Owners other than Declarant, Declarant may seek to keep Assessments lower than they otherwise may be by subsidizing the Budget of the Association by making one or more voluntary contributions in amounts determined by Declarant ("Voluntary Contributions"). The amount of any such Voluntary Contributions may vary from time to time or may be discontinued and recommenced

by Declarant from time to time. The determination to subsidize the Budget of the Association, the amount of any such Voluntary Contributions, and the discontinuance and/or recommencement of any such Voluntary Contributions, shall all be made by Declarant in Declarant's sole and absolute discretion and in no event shall Declarant have any obligation whatsoever to make any such Voluntary Contributions. Each Owner shall be solely responsible to review the Budget of the Association then in effect to determine if and to what extent Declarant is making any Voluntary Contributions to subsidize the Budget and thus lower the Assessments payable by the Owners that would otherwise be higher based on the Operating Expenses of the Association.

Section 8. DECLARANT'S GUARANTEED ASSESSMENT NOT THE OBLIGATION OF INSTITUTIONAL MORTGAGEES. Notwithstanding anything to the contrary herein contained, it is specifically understood and declared that each Owner, by the acceptance of a deed or other instrument of conveyance of a Lot within the Property, shall be deemed to have acknowledged and agreed that no Institutional Mortgagee (other than Declarant) or any successor or assign of such Institutional Mortgagee, or any person acquiring a deed or title to any part of the Property by reason of the foreclosure or otherwise of an Institutional Mortgagee shall be deemed to have made, assumed or otherwise undertaken any covenants or obligations of Declarant: (i) to guarantee the level and/or duration of any guaranteed Assessments provided for under any of the Governing Documents; or (ii) to pay the difference between the actual Operating Expenses and the guaranteed Assessments, if any, assessed against Lots and the Owners thereof during the Deficit Funding Period (as same may have been previously extended) as may be provided for in any of the Governing Documents; provided, however, that an Institutional Mortgagee may, at its option, determine to continue the obligation of Declarant to guarantee the amount of the Assessments as herein provided. Additionally, a successor declarant shall not be deemed to guarantee the level and/or duration of any guaranteed Assessments provided for under any of the Governing Documents or be obligated or pay the difference between the actual Operating Expenses and the guaranteed Assessments, if any, assessed against Lots and the Owners thereof during the Deficit Funding Period (as same may have been previously extended) unless such obligation is assumed in writing by such successor declarant.

<u>Section 9.</u> <u>WAIVER OF USE</u>. No Owner, other than Declarant, will be exempt from personal liability for Assessments duly levied by the Association for any reason whatsoever including, without limitation, the non-use of any Association Property or the Owner's Home or because of any dispute with or complaint against the Association an Owner may have. Likewise, no Owner may release the Lot owned by such Owner from the liens and charges hereof for any reason, including those stated above.

ARTICLE IX ARCHITECTURAL CONTROL COMMITTEE

<u>Section 1.</u> <u>MEMBERS OF THE COMMITTEE.</u> Prior to the Turnover Date, the Architectural Control Committee, sometimes referred to in this Declaration as the "Committee," shall be comprised solely of the President of the Association or the President's designee. After the

Turnover Date, the Committee shall be comprised of not less than three (3) nor more than seven (7) members appointed by the Board, which members shall hold office until such time as each such member has resigned or been removed, all as provided in the Governing Documents. Members of the Committee may be removed at any time with or without cause. The Board shall have the sole right to appoint and remove all members of the Committee.

Section 2. REVIEW OF PROPOSED CONSTRUCTION.

Subject to Section 13 below, all Improvements, additions, modifications, decorations or alterations visible from or affecting the exterior of the Home or Lot (or any portion whatsoever thereof), including, by way of example and not of limitation, accessory structures, exterior lighting fixtures, brick pavers, stamped concrete, concrete flatwork, basketball hoops, gym sets and play structures, other recreational equipment, hot tubs, patios, summer kitchens and the like, awnings, buildings, fences, walls, pools, roofs, gutters or rain spouts, antennae, aerials, microwaves, reception devices, mailboxes, external enclosures or attachments (including patio screen enclosures), landscaping (including hedges, massed plantings and trees), canopies, shutters, and window coverings proposed to be attached to or placed upon outside walls or roofs of any Home, shall be reviewed by and received the written approval of the Committee in accordance with Paragraph B of this Section 2 and Section 3 below prior to the commencement of the construction, installation, removal, alteration and/or modification of the Improvement. Any Owner (other than Declarant or its designees) desiring to make Improvements shall submit a complete set of plans and specifications prepared by an architect, landscape architect, engineer, general contractor or other person determined by the Committee to be qualified, showing the nature, dimensions, materials and location of the same, together with the "Security Deposit" (as defined in Section 6 below) if required by the Committee, to be held and disbursed by the Association in accordance with Section 6 below.

B. The Committee shall approve proposed plans and specifications submitted for its approval only if: (i) it deems that the construction, alterations or additions contemplated will not be detrimental to the appearance of the surrounding area of the Property as a whole; (ii) that the appearance of any structure affected thereby will be in harmony with the surrounding structures and is otherwise desirable; and (iii) such Improvements are consistent with the "Community Standard" (as defined in Section 3 below). The Committee shall also adhere to the Rules and Regulations and other guidelines as may be promulgated by the Board with respect to any and all additions and alterations within the Property. The Committee may condition its approval of proposed plans and specifications in such a manner as it deems appropriate, including, without limitation, Owner's compliance with any and all Governmental Requirements. The Committee may also: (i) issue and amend from time to time rules or guidelines setting forth procedures for the submission of plans and specifications, and (ii) set, establish, and charge reasonable fees ("Review and Inspection Fees") for, among other things, processing Owner's request for proposed Improvements, review of the plans and specifications for proposed Improvements by Owner and inspections of the Improvements constructed by Owner, which review and/or inspection may be performed by third parties. The Committee may require Review and Inspection Fees to be paid in advance (i.e., at the time of submission of the Owner's application). In the event any Review and Inspection Fees remain unpaid by an Owner, in addition to the other rights of the Association, the Committee shall have the right, at its option, to: (i) not release the Security Deposit until all Review and Inspection Fees have been paid, or (ii) deduct all unpaid Review and Inspection Fees from any such Security Deposit paid by Owner. In addition (and in addition to any other remedies under and pursuant to the Governing Documents for a failure of an Owner to perform Owner's obligations), if any Review and Inspection Fees are not paid by Owner, the Board may levy an Assessment against such Owner for such unpaid Review and Inspection Fees, and said Assessment shall constitute a lien upon the applicable Lot and Home with the same force and effect as liens for Operating Expenses.

The Committee may require the submission of additional information prior to approving or disapproving such Improvements. In that regard, the Committee may also require such detail in plans and specifications submitted for its review as it deems necessary or proper, including, without limitation, floor plans, site plans, surveys, drainage plans, elevation drawings and descriptions or samples of exterior materials and colors. In addition, if the proposed Improvement is a permitted fence, sod or shrubs that will cross over any easement area, the Committee may also require the execution by Owner of a removal agreement that will obligate the Owner to remove and reinstall the Improvement at Owner's sole cost and expense if and to the extent removal of the Improvement is determined by the Board, in the Board's sole and absolute discretion, to be necessary or desirable for the Association to perform its obligations under the Governing Documents and/or if required by the applicable Governmental Authorities.

Notwithstanding anything to the contrary in the Governing Documents, diversity of architectural elevation and exterior color scheme for Homes in the Community shall comply with the following: (i) no more than three (3) Homes with the same floorplan and exterior elevation shall be placed next to each other; and (ii) no Home shall have the same exterior color scheme as either of the homes placed next to it whose front elevation is on the same street frontage. The Committee shall have no obligation to and shall not approve (nor grant any variances for) any bids, proposals or plans and specifications submitted if approval of same would result in failure to comply with the foregoing requirements.

If the proposed construction, alterations or additions to a Home or Lot includes any improvements which would cause the performance of the "Home Landscaping Services" (as defined in Article X, Section 1.I below) to be more difficult or more expensive to the Association, the Committee may condition its approval on Owner's agreement to pay such additional fees and costs for the Home Landscaping Services or to waive Owner's receipt of the Home Landscaping Services (without reduction of the Assessments paid by Owner), as the Committee shall determine.

C. The Committee shall have forty-five (45) days after delivery of all required materials to give written approval or rejection of any such plans and, if written approval is not given within such forty-five (45) day period, such plans shall be deemed rejected, provided however, that, in any event, no such addition, construction or alteration shall be made by any

Owner which is detrimental to or inconsistent with the harmony, appearance or general scheme of the Property as a whole.

- D. It is intended that a Lake Lot Owner shall only enjoy a lake view behind such Lake Lot Owner's Lot within the limits of the width of such Lake Lot extended into the water area behind such Lake Lot. Accordingly, such lake view enjoyment is limited only to the area shaped by imagined lines as if drawn from each side lot line of the Lake Lot extended into the Lake (the "Direct View"). Any Improvements approved by the Committee on an adjacent Lake Lot or other portions of the Community shall not be deemed to hinder or otherwise interfere with the Direct View of the neighboring Lake Lot Owner.
- E. The only fence type allowed shall be an aluminum rail picket fence, with the rails no wider than one inch (1") and no closer together than three inches (3") on center and having a height of forty eight inches (48"), unless otherwise required by applicable Laws. However, the Owner may be permitted to install guard panels for small pets on the lower portion of the aluminum rail picket fence to further reduce picket spacing, subject to Committee approval. Notwithstanding anything to the contrary in this Declaration, such aluminum rail picket fence is the only type of fence which the Committee may approve for installation on a Lot. The permitted colors of such fence shall be as set forth in the Rules and Regulations. No Owner shall be permitted to install any fence (or any other Improvement) within any Lake Maintenance Easement whatsoever (refer to Article XI, Section 18 below for additional restrictions regarding fences).
- F. No plantings, landscaping and/or other Improvements whatsoever, including, without limitation, fences, air conditioning equipment, pool equipment, generator pads, pool decks, patios, and screen enclosures shall be installed by an Owner in any Drainage Easement except only: (i) those installed by Declarant, and (ii) sod or fences as expressly approved by the Committee in accordance with this Article IX. Owner shall also execute and deliver such removal and indemnification agreements as may be required by the Association and/or the Governmental Authorities as a further condition of permitting sod or fences to be installed within any Drainage Easement. Fences to be installed in any Drainage Easement are also subject to compliance with Article XI, Section 18 below.
- G. No plantings, landscaping and/or other Improvements whatsoever, including, without limitation, fences, air conditioning equipment, pool equipment, generator pads, pool decks, patios, and screen enclosures shall be installed by an Owner in any County Utility Easement except only: (i) those installed by Declarant, and (ii) sod and fences as expressly approved by prior written approval of the County Water Utilities Department and the Committee in accordance with this Article IX. Owner shall also execute and deliver such removal and indemnification agreements as may be required by the Association and/or the Governmental Authorities as a further condition of permitting sod and/or fences to be installed within any County Utility Easement. Fences to be installed in any County Utility Easement are also subject to compliance with Article XI, Section 18 below.

- H. An Owner shall not plant any shrubs, trees and/or landscaping on such Owner's Lot and/or in any manner alter the landscaping in the Community as initially installed by Declarant without the prior written consent of the Committee. If an Owner receives such approval and plants any shrubs, trees and/or landscaping on such Owner's Lot, the Association's Home Landscaping Services will not include the maintenance and care of such additional landscape material.
- I. Notwithstanding any provision in this Article to the contrary, the approval of the Committee shall not be required for any additions, changes or alterations within any Home if such additions, changes or alterations are not visible from the outside of such Home. All changes and alterations shall be subject, independently, to all applicable Laws.
- J. Notwithstanding any provision in this Article to the contrary, the Association, by and through its Board, may establish, amend and/or abolish Rules and Regulations from time to time to permit Owners to install certain improvements without the prior approval of the Committee. Such exceptions must be stated clearly in the Rules and Regulations promulgated by the Board.
- K. Notwithstanding anything to the contrary in the Governing Documents, no construction, reconstruction, addition or alteration by Declarant shall require the prior approval or any certificate of consent of the Association or the Committee, and shall not require any Security Deposit.
- L. Notwithstanding anything to the contrary, approval of the Committee shall not be deemed to be an exemption from compliance with all Laws.
- Section 3. COMMUNITY STANDARD. As used in the Governing Documents, the "Community Standard" shall mean the conduct, maintenance or other activity generally prevailing throughout the Property, but may be more specifically determined by the Board or the Committee, which shall not be inconsistent with any standard created by the Declarant, and shall at all times be in compliance with all restrictions set forth herein or pursuant to any other recorded documents. In reviewing proposals and plans and specifications for conformity with the Community Standard, the Committee shall determine whether the construction, alterations or additions contemplated thereby in the locations indicated will not be detrimental to the appearance of the surrounding area of the Property and that the appearance of any Improvement or other structure affected thereby will be in harmony with surrounding structures and Improvements and is otherwise desirable.
- <u>Section 4.</u> <u>NO WAIVER OF FUTURE APPROVALS</u>. The approval of the Committee of any bids, proposals, plans and specifications and/or drawings for any work performed or proposed, or in connection with any other matter requiring the approval or consent of the Committee, shall not be deemed to constitute a waiver of any right to withhold approval or consent to any identical or similar bids, proposals, plans and specifications and/or drawings subsequently or additionally submitted for approval or consent, whether such submission is by that applicant or another

applicant. Similarly, the denial of approval by the Committee of any bids, proposals, plans and specifications and/or drawings for any work performed or proposed shall not be deemed to constitute a waiver of any right to approve or consent to any identical or similar bids, proposals, plans and specifications and/or drawings subsequently or additionally submitted for approval or consent, whether such submission is by that applicant or another applicant.

<u>Section 5.</u> <u>VARIANCES.</u> The Committee may authorize variances from compliance with any of the architectural provisions of this Declaration or any Supplemental Declaration, when circumstances such as topography, natural obstructions, hardship, aesthetic or environmental considerations may require; provided, however, the Committee shall not give or authorize (and the Committee is hereby prohibited from giving or authorizing) any variance with respect to: (i) the diversity of architectural elevation and exterior color scheme requirements of Section 2.B above; (ii) the types of fencing or locations of fencing permitted Section 2.D above or as provided in Article XI, Section 18 below; and/or (iii) the displaying of any signs for the sale or renting of the Home as prohibited in Article XI, Section 12 below. If such variances are granted, no violation of the covenants, conditions and restrictions contained in this Declaration or any Supplemental Declaration shall be deemed to have occurred with respect to the Improvements for which the variance was granted.

Section 6. SECURITY DEPOSIT FOR IMPROVEMENTS; INDEMNIFICATION. Any Owner desiring to make Improvements may be required by the Committee, depending upon the Improvements being requested and the manner of installation of such Improvements, to provide to the Committee, at the time of the Owner's submission of plans and specifications for review and approval by the Committee, a security deposit ("Security Deposit") paid to the Association to cover: (a) costs of incidental damage caused to Association Property, an adjacent Home or Lot, or any other property (whether real or personal) by virtue of such Owner's construction of Improvements, and (b) the Review and Inspection Fees if and to the extent not paid by Owner. The Security Deposit shall initially be Five Thousand Dollars (\$5,000.00) and may be increased or decreased by the Board from time to time. The Committee shall have the sole and absolute discretion to determine whether a Security Deposit is required for the Improvements being requested. The Association shall not be obligated to place the Security Deposit in an interestbearing account. The Owner shall be entitled to the return of the Security Deposit upon: (i) such Owner's written notice to the Committee that the Improvements covered by the Security Deposit have been completed in accordance with the plans and specifications approved by the Committee, (ii) the Committee's (or its duly authorized representative's) inspection of such Improvements confirming completion; provided, however, should any incidental damage be caused to Association Property by virtue of such Owner's construction of Improvements, the Security Deposit shall not be returned to Owner until such damages have been repaired, and (iii) Owner's payment of all Review and Inspection Fees. Alternatively, the Association may, at Association's option, deduct all unpaid Review and Inspection Fees from the Security Deposit. In the event that Owner has not repaired such damages to the Association Property to the satisfaction of the Committee, Association shall have the right (but not the obligation), after five (5) days' notice to the offending Owner, to repair such incidental damage and to use so much of the Security Deposit held by the Association to reimburse itself for the costs of such work.

Further, the offending Owner hereby agrees to indemnify and reimburse the Association for all reasonable costs expended by the Association that exceed the Security Deposit, including Legal Fees, if any, incurred in connection therewith. All amounts incurred or paid by the Association to repair such damages caused by and not repaired by an Owner as set forth in this Section 6 shall, in addition to the other rights of the Association, be subject to a Special Assessment levied by the Association against such Owner, which Special Assessment shall be collectible in the same manner as other Assessments as set forth in this Declaration. Should any incidental damage be caused to an adjacent Lot or Home by virtue of such Owner's construction of Improvements, the Owner of the adjacent Lot (the "Adjacent Lot Owner") may, at such Adjacent Lot Owner's sole option: (a) remedy such damage and submit to the Association a receipt, invoice or statement therefor for reimbursement from the offending Owner's Security Deposit; or (b) allow the offending Owner to repair such incidental damage to the Adjacent Lot Owner's Lot or Home, at the offending Owner's sole cost and expense, and upon receipt by the Association of written notice from the Adjacent Lot Owner that such incidental damage has been repaired, the offending Owner shall be entitled to a return of the balance of the Security Deposit being held by the Association, if any.

Notwithstanding anything contained in this Section to the contrary, the Association's return of the Security Deposit being held by it for any such Improvements shall be based solely on considerations set forth above. The Association's return of the Security Deposit does not and shall not be construed to constitute a determination by members and representatives of the Committee, Declarant Parties, and/or the Association of the structural safety, approval or integrity of any Improvement, conformance with building or other codes or standards, or sufficiency of the issuance of governmental permits and approvals for any Improvement. By submitting a request for review and approval of bids, proposals and/or plans and specifications, along with the Security Deposit required hereunder, an Owner shall be deemed to have automatically agreed to hold harmless and indemnify the members and representatives of the Committee, the Declarant Parties, and the Association generally, from any and all losses, claims, demands, suits, actions, causes of action, liabilities (including, without limitation, property damage, personal injury and/or death), judgments, damages (including, without limitation, all secondary, incidental, consequential, special and/or punitive damages), fines, liens, encumbrances, penalties, costs and expenses of whatever nature or kind (including, without limitation, Legal Fees), related to, arising out of and/or resulting from the Improvements or alterations, and/or the Security Deposit (including, without limitation, the disbursement thereof).

Association shall not be liable or responsible to anyone for any damages, losses or expenses resulting from Association's holding of the Security Deposit or disbursement thereof unless same shall be caused by the fraud, gross negligence, willful malfeasance or criminal misconduct of the Association. In the event of any disagreement relating to the Security Deposit held by the Association or the disbursement thereof, Association shall be entitled (but not obligated) to refuse to disburse the Security Deposit (or any portion thereof) as long as such disagreement may continue, and Association shall not become liable in any way for such refusal. Association shall have the right, at any time, after a dispute has arisen, to pay the Security Deposit

(or any portion thereof) held by it into any court of competent jurisdiction for payment to the appropriate party, whereupon Association's obligations hereunder shall terminate and Association shall be automatically released of any and all obligations.

<u>Section 7.</u> <u>INSPECTION OF WORK</u>. Inspection of work and correction of defects therein shall proceed as follows:

- A. Upon the completion of any work for which approved plans are required under this Article IX, the submitting party shall give written notice of completion to the Committee.
- B. Within thirty (30) days after written notice of completion, the Committee or its duly authorized representatives may inspect such Improvement. If the Committee finds such work was not done in substantial compliance with the approved plans, it shall notify the submitting party in writing of such noncompliance within such thirty (30) day period, specifying the particulars of noncompliance, and shall require the submitting party to timely remedy such noncompliance.
- C. If upon the expiration of fifteen (15) days from the date of such notification the submitting party shall have failed to remedy such noncompliance, notification shall be given by the Committee to the Board in writing describing the nature of such failure. Upon such notice, the Board shall determine whether there is a noncompliance and, if so, the nature thereof, the estimated time for completion, and cost of correcting or removing the same. If noncompliance exists, the submitting party shall remedy or remove the same within a period of not more than thirty (30) days from the date of announcement of the Board's ruling. If the submitting party does not comply with the Board's ruling within such period, the Board, at its option, may remove the Improvement, remedy the noncompliance, or proceed in court to compel compliance and the submitting party shall reimburse the Association, upon demand, for all expenses incurred in connection therewith, including Interest and Legal Fees. If such expenses are not promptly repaid by the submitting party to the Association, the Board shall levy an Assessment against such submitting party for reimbursement, and said Assessment shall constitute a lien upon the applicable Lot and Home with the same force and effect as liens for Operating Expenses.
- D. If, for any reason, notification is not given to the submitting party of acceptance within thirty (30) days after receipt of said written notice of completion from the submitting party, the Improvement and/or alteration shall be deemed to be in compliance with said approved plans.
- <u>Section 8.</u> <u>MEETINGS OF THE COMMITTEE</u>. Following the Turnover Date, 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 its members) to take any action or perform any duties for and on behalf of the Committee, except the granting of variances pursuant to

Section 5 above. In the absence of such designation, the vote of any two (2) members of the Committee shall constitute an act of the Committee.

<u>Section 9.</u> <u>QUORUM</u>. A majority of the Committee Members shall constitute a quorum to transact business at any meeting of the Committee. The action of a majority present at a meeting at which a quorum is present shall constitute the action of the Committee. In lieu of a meeting, the Committee may act in writing.

<u>Section 10.</u> <u>COMPENSATION OF MEMBERS</u>. The members of the Committee shall receive no compensation for services rendered, other than reimbursement for actual out-of-pocket costs and expenses incurred by them in the performance of their duties hereunder.

Section 11. NON-LIABILITY OF COMMITTEE MEMBERS. The Committee, its members, the Board and Declarant shall not be liable in any manner whatsoever to the Association or to any Owner or any other person or entity for any and all losses, claims, demands, suits, actions, causes of action, liabilities (including, without limitation, property damage, personal injury and/or death), judgments, damages (including, without limitation, all secondary, incidental, consequential, special and/or punitive damages), fines, liens, encumbrances, penalties, costs and expenses of whatever nature or kind (including, without limitation, Legal Fees), related to, arising out of and/or resulting from the performance of the Committee's duties hereunder, unless due to the willful misconduct or bad faith of a member and only that member shall have any liability. The Committee's review and approval or disapproval of plans submitted to it for any proposed Improvement shall be based solely on considerations of the overall benefit or detriment to the community as a whole. The Committee shall not be responsible for reviewing, nor shall its approval of any plan or design be deemed approval of, any plan or design from the standpoint of structural safety or conformance with building or other codes or standards, and no member or representative of the Committee or the Association, nor Declarant, shall be liable for the safety, soundness, workmanship, materials or usefulness for any purpose of any such Improvement or alteration proposed by the plans. By submitting a request for review and approval by the Committee, an Owner shall be deemed to have and does automatically agree to indemnify, defend and hold harmless the Committee, the Association (and its directors and officers) and the Declarant Parties from and against any and all losses, claims, demands, suits, actions, causes of action, liabilities (including, without limitation, property damage, personal injury and/or death), judgments, damages (including, without limitation, all secondary, incidental, consequential, special and/or punitive damages), fines, liens, encumbrances, penalties, costs and expenses of whatever nature or kind (including, without limitation, Legal Fees), related to, arising out of and/or resulting from the Improvements or alterations for which such request was submitted and/or the Security Deposit (including, without limitation, the disbursement thereof).

<u>Section 12.</u> <u>PERMITS AND GOVERNMENTAL APPROVALS</u>. The Owner is solely responsible to obtain all required building and other permits and approvals from all Governmental Authorities. Approval by the County and/or other applicable Governmental Authority does not waive the requirement for Committee approval. Likewise, Committee approval does not relieve Owner of

the responsibility of obtaining any and all necessary permits and approvals from all applicable Governmental Authorities and complying with all Laws.

<u>Section 13.</u> <u>DECLARANT EXEMPTION</u>. Declarant and its designees are hereby exempt from having to comply with the requirements of this Article IX in their entirety. Declarant shall not be obligated to obtain Committee approval for any Improvement or other construction, alteration, maintenance, repair and/or replacement undertaken by Declarant.

ARTICLE X MAINTENANCE AND REPAIR OBLIGATIONS

Section 1. BY THE ASSOCIATION.

- A. The Association, at its expense, shall be responsible for the operation, maintenance, repair and replacement of all of the Improvements and facilities located over, through and upon the Association Property, including, without limitation, the Recreation Tract (except public utilities and Community Systems, to the extent same have not been made Association Property). Should any incidental damage be caused to any Home by virtue of the Association's failure to maintain the Association Property as herein required or by virtue of any work which may be performed or caused to be performed by the Association in the maintenance, repair or replacement of any Association Property, the Association shall, at its expense, repair such incidental damage. The Association shall not, however, be responsible for any loss of use, any hardship, an Owner's time or any other secondary, incidental, consequential, special and/or punitive damages.
- B. The Association shall operate, maintain, repair and replace the Irrigation Systems, if any, constructed over, through and upon the Property as it shall deem appropriate. There is hereby reserved in favor of the Association the right to enter upon the Association Property and the Lots for the purpose of operating, maintaining, repairing, and replacing the Irrigation Systems over, through and upon the Property. The Association shall be responsible for the costs associated with the Association's obligations relating to the operation, maintenance, repair and replacement of such Irrigation Systems, including any monthly fees and other costs of water and/or electric usage, if any. The Association shall also be responsible for the operation, maintenance, repair and replacement of the portions of the Irrigation System installed in and/or serving any property that may located outside the boundaries of the Property. There is hereby reserved in favor of the Association, the right to enter upon the Association Property and any and all Lots for the purpose of operating, maintaining, repairing and replacing the Irrigation Systems over, through and upon the Association Property and all of the Lots within the Property. Each Owner shall be responsible for any damage caused to the Irrigation Systems by Owner and/or Owner's Occupants, and Owner shall indemnify, defend and hold Association harmless from and against any and all losses, claims, demands, suits, actions, causes of action, liabilities (including, without limitation, property damage, personal injury and/or death), judgments, damages (including, without limitation, all secondary, incidental, consequential, special and/or punitive damages), fines, liens, encumbrances, penalties, costs and expenses of whatever nature

or kind (including, without limitation, Legal Fees), related to, arising out of and/or resulting from any such damage.

- C. The Association shall operate, maintain, repair and replace the Drainage System constructed over, through and upon the Property as it shall deem appropriate (unless and until the Drainage System becomes CDD Property or the CDD assumes such obligations), but at all times in accordance with the applicable governmental permits (including, without limitation, the Water Management District Permit), approvals, rules and regulations governing the operation, maintenance, repair and replacement of the Drainage System. Such maintenance of the Drainage System shall mean the exercise of practices which allow the Drainage System to provide drainage, water storage, conveyance, or other surface water or stormwater management capabilities as permitted by the Water Management District Permit. Any repair or construction of the Drainage System shall be as permitted or, if modified, as approved by the Water Management District. There is hereby reserved in favor of the Association and the CDD the right to enter upon the Association Property and the Lots for the purpose of owning, operating, maintaining, repairing, and replacing the Drainage System over, through and upon the Property. The Association shall be responsible for all fees, costs, expenses and other sums associated with its obligations relating to operating, cleaning, maintaining, repairing, and replacing of any portion of the Drainage System as may be necessary to maintain the system in its original condition and use. In the event the Association fails to maintain the Drainage System in accordance with this Declaration, the Water Management District Permit, as the same may be amended from time to time, then the CDD and Water Management District shall have the right to (i) enter upon the Property and perform any required maintenance at the expense of the Association, or (ii) commence an enforcement action against the Association, including, without limitation, monetary penalties and injunctive relief, to compel the Association to maintain the Drainage System in accordance with this Declaration, the Water Management District Permit. A copy of the Water Management District Permit, together with any actions taken by the Water Management District with respect to the Water Management District Permit shall be maintained by the registered agent for the Association, for the Association's benefit. Each Owner shall be responsible for any damage caused to the Drainage System by Owner and/or Owner's Occupants, and Owner shall indemnify, defend and hold the Association, CDD and the Declarant Parties harmless from and against any and all losses, claims, demands, suits, actions, causes of action, liabilities (including, without limitation, property damage, personal injury and/or death), judgments, damages (including, without limitation, all secondary, incidental, consequential, special and/or punitive damages), fines, liens, encumbrances, penalties, costs and expenses of whatever nature or kind (including, without limitation, Legal Fees), related to, arising out of and/or resulting from any such damage.
- D. Unless and until the Conservation Areas become CDD Property or the obligations of the CDD, the Association shall be obligated to perform the ongoing operation, monitoring, maintenance, repair and replenishment of any Conservation Areas (as defined and described in Article II, Section 2.K above), as well as performing all obligations, responsibilities and requirements required to be completed under and in accordance with the Conservation Documents and Requirements. In the event the Association fails to timely and/or properly

maintain any Conservation Area in accordance with the Conservation Documents and Requirements and/or any Owner takes any action that would cause the Conservation Areas to not be in compliance with the Conservation Documents and Requirements and, as a result, Declarant is unable to (i) final-out and/or close-out any approval, permit, order, condition and/or requirement that have been issued or imposed by any governmental entity in connection with the development and construction of the Community and all Improvements therein; or (ii) obtain a return of any bond or surety posted by Declarant in connection with the development and construction of the Community, then Declarant shall have the immediate right, but not the obligation, in its sole and absolute discretion, to (a) commence an enforcement action against the Association and/or any Owner, including, without limitation, monetary penalties and injunctive relief, to compel: the Association to maintain the Conservation Areas in accordance with the Conservation Documents and Requirements, and/or any Owner to cease violating the Conservation Documents and Requirements; or (b) take any and all actions necessary, at the Association's sole cost and expense, to comply with and adhere to any approval, permit, order, condition and/or requirement that have been issued or imposed by any governmental entity in connection with the development and construction of the Community and all Improvements therein and/or to bring the Property into compliance with the Conservation Documents and Requirements. The Association hereby agrees to indemnify and reimburse the Declarant (within ten (10) days of receipt of a written invoice from Declarant) for all costs and expenses incurred by Declarant in the event Declarant takes actions in accordance with this Section 1.D. The rights granted to Declarant hereunder shall survive the Turnover Date and continue for such period of time as is necessary for Declarant to fully comply with all such governmentally issued approvals, permits, orders, conditions and/or requirements. This Section 1.D may not be suspended, superseded or modified in any manner by any amendment to this Declaration unless such amendment is consented to in writing by the Declarant.

- E. The Association shall be responsible for the maintenance, repair and replacement of all private Streets, Drives, Roads and Roadways located upon the Association Property and there is hereby reserved in favor of the Association the right to enter upon any and all parts of the Association Property and Lots for such purpose. The Association shall also be responsible for the sod, landscaping and irrigation system located within any Street, Drive, Road and/or Roadway cul-de-sac, as applicable.
- F. Unless and until the CDD assumes the maintenance obligations, the Association shall be responsible for the maintenance, upkeep, repair and replacement of the following (collectively, the "Two Ridges Road Maintenance Obligations"): (i) the sidewalk (the "Two Ridges Road Sidewalk") installed in the County right-of-way known as Two Ridges Road located between State Road 54 and Chancey Road (hereafter referred to as the "Two Ridges Road Right-of-Way"), and (ii) the landscaping and irrigation facilities, if any, installed in the Two Ridges Road Right-of-Way. So long as the Association is responsible for the Two Ridges Road Maintenance Obligations, the Two Ridges Road Sidewalk is to be used, kept and maintained as such by the Association, Owners and Occupants in accordance with the provisions of: (a) this Declaration, (b) that certain maintenance agreement to be given by the County in favor of the Association, which shall be recorded in the Official Records of the County, (c) any other agreements by, between and among Declarant, the Association, and/or the County with respect

to the Two Ridges Road Sidewalk and landscaping and irrigation facilities, and (d) all requirements of the applicable Governmental Authorities having jurisdiction thereof. All fees, costs and expenses incurred by the Association in connection with the Two Ridges Road Maintenance Obligations shall be Operating Expenses of the Association unless and until the CDD assumes this obligation and, in such event, the parties shall determine how to allocate the fees, costs and expenses as provided in Article III, Section 4 above.

- G. To the extent not the responsibility of a public utility, the Association shall be responsible for the maintenance, repair and replacement of any Street Lights, Decorative Street Lights and any associated facilities located in the Community, or placed in public rights-of-way by agreement between the Association and the public utility or Governmental Authority responsible therefor. When a public utility is responsible for maintenance, repair and replacement, the Association shall be responsible to pay all fees, costs, expenses and other sums associated with maintenance, repair and replacement of any Street Lights, Decorative Street Lights and any associated facilities placed within the Property and any Street Lights, Decorative Street Lights and associated facilities placed in public rights of way by agreement between the Association and the public utility responsible therefor.
- H. To the extent permitted by the applicable Governmental Authority, the Association may, but shall not be obligated to, also provide maintenance of all City, County, district or municipal properties which are located within or in a reasonable proximity of the Property to the extent that their deterioration or unkempt appearance would adversely affect the appearance of the Property, including the right to enhance the landscaping in any public right of way. Perpetual maintenance and care could include, but is not limited to, pruning, fertilizing, irrigation, and alternate watering of Xeriscape material during periods of drought in order to maintain healthy plant material. The Association shall enter into and/or assume Declarant's duties, obligations and liabilities under a now existing or hereafter entered into agreement with the applicable Governmental Authority. All fees, costs, expenses and other sums incurred by the Association in connection with the maintenance, repair and replacement of any such properties shall be Operating Expenses of the Association.
- I. The Association shall initially be responsible for the following landscaping services on each Lot (collectively, the "Home Landscaping Services") with such levels of service and schedule of services as may be determined by the Board from time to time: mowing sod, landscape trimming, tree trimming (up to heights determined by the Board from time to time), weeding, fertilization, exterior pest control spraying, and mulching. Each year, the Board shall review the Home Landscaping Services in connection with the preparation of each annual Budget of the Association and the Board shall have the right to add to, remove and/or discontinue the Home Landscaping Services or any portions thereof, all in the Board's sole and absolute discretion. Notwithstanding the obligation of the Association to perform the Home Landscaping Services, any replacement of dead, dying or decaying sod, trees, shrubs, landscaping and other plant materials within the Lots, for any reason whatsoever, shall be the obligation of the Owners of the Lots upon which such replacement is required. The Association may, at its option, discontinue replacing sod on the Lots, in which event the replacement of any sod on the Lots would become the responsibility of the Owners. The fees, costs, expenses and other sums of the

Home Landscaping Services shall be Special Service Assessments of the Completed Lots receiving Home Landscaping Services.

Notwithstanding the foregoing, such Home Landscaping Services do not and shall not include the uprighting and/or removing of any fallen or dislodged trees from any Lot following a tropical storm, hurricane, or other Act of God. However, the Association shall have the right, but not the obligation, following a tropical storm, hurricane or other Act of God, to upright and/or remove any fallen or dislodged trees, at the respective Owner's cost and expense on (i) any Lot, and/or (ii) any grassed areas located between the front and/or sides of such Owner's Lot and the street; on behalf of the Owner of such Lot. The Owner of said Lot shall be required to reimburse the Association for the fees, costs, expenses and other sums incurred by the Association in connection with the uprighting and/or removal of any fallen or dislodged trees. In that regard, the Association may levy a Special Assessment against such Lot in connection with such fees, costs, expenses and other sums, to the exclusion of all other Owners, without the need for obtaining the affirmative consent of at least two-thirds (2/3) of all Members as set forth in Article VIII, Section 3 above.

- J. To the extent permitted by the applicable Governmental Authority, the Association may, but shall not be obligated to, also provide maintenance of all County, district or municipal properties which are located within or in a reasonable proximity of the Property to the extent that their deterioration or unkempt appearance would adversely affect the appearance of the Property, including the right to enhance the landscaping in any public right of way.
- K. Neither the Association nor any Owner shall alter the slopes, contours, or cross-sections of the Lakes, Lake Banks, Lake Maintenance Easements and littoral zones or chemically, mechanically, or manually remove, damage or destroy any plants in any of the littoral zones, Lakes, Lake Maintenance Easements except upon the written approval from the applicable Governmental Authority. Littoral plantings will be installed in accordance with the permitting requirements of the applicable Governmental Authorities and may not be altered, relocated or removed by any Owner. Unless and until the Lakes become CDD Property or the obligations of the CDD, the Association shall be responsible for maintaining the required survivorship and coverage of the planted littoral areas, to ensure the ongoing removal of prohibited and invasive non-native plant species from these areas, and to comply with all governmental regulations, including, without limitation, all permits issued by any Governmental Authorities applicable to the Lakes, Lake Banks and littoral zones.
- L. The Association, by action of its Board, may make minor and insubstantial alterations and Improvements to the Association Property having a cost (individually or in the aggregate with others) not in excess of Twenty-Five Thousand Dollars (\$25,000). All other alterations and Improvements must first be approved by at least two-thirds (2/3) of all Members represented in person or by proxy at a meeting called and held in accordance with the Bylaws. No alteration or Improvement may be made to the Association Property which materially and adversely affects the rights of the Owner of any Lot to the enjoyment of such Owner's Lot or the

Association Property unless the Owner and all mortgagees holding recorded mortgages on such Lot consent thereto in writing.

- M. All fees, costs, expenses and other sums incurred by the Association in connection with the services, operation, maintenance, repair, replacement and other obligations of the Association described in Paragraphs A through L of this Section 1, inclusive (other than the Home Landscaping Services which shall be deemed Special Service Assessments), are Operating Expenses, payable by each Owner under the provisions of this Declaration concerning Assessments. Should the maintenance, repair, replacement or other obligations provided for in said Paragraphs A through L be caused by the negligence of or misuse by an Owner or such Owner's Occupants, such Owner shall be responsible therefor, and the Association shall have the right to levy an Assessment against such Owner's Lot and said Assessment shall constitute a lien upon the appropriate Lot and Home with the same force and effect as liens for Operating Expenses.
- N. The Association has a reasonable right of entry upon any Lot, other than into the Home thereon, to make emergency repairs and to do other work reasonably necessary for the proper maintenance and operation of the Community.
- Ο. The Association, being the entity responsible for the ownership, operation, maintenance, repair and replacement of the Association Property as provided in the Governing Documents, hereby agrees to indemnify, defend and hold the Declarant Parties harmless from and against any and all losses, claims, demands, suits, actions, causes of action, liabilities (including, without limitation, property damage, personal injury and/or death), judgments, damages (including, without limitation, all secondary, incidental, consequential, special and/or punitive damages), fines, liens, encumbrances, penalties, costs and expenses of whatever nature or kind (including, without limitation, Legal Fees), related to, arising out of and/or resulting from: (i) the Association Property; (ii) any acts or omissions of the Association, its members, directors, officers, managers, employees and/or agents and their respective heirs, successors and assigns, including, without limitation, any failure of the Association to perform its duties and obligations under this Declaration and the other Governing Documents, (iii) personal injury, loss of life, or damage to property sustained on or about the Association Property and/or other property serving the Association, and Improvements thereon, and/or (iv) onsite and offsite activities or operations of Association (including, without limitation, attendance and/or participation by Owners and/or Occupants in such onsite or offsite activities). The foregoing indemnity, defense and hold harmless obligations expressly include, without limitation, those relating to, arising out of, resulting from and/or in any way connected with acts, omissions and/or negligence of such indemnified parties. The Association's obligation to defend the parties described in this Paragraph O shall be triggered upon any allegation or claim being asserted that is to be indemnified or defended pursuant to this Paragraph O. If any indemnified party is compelled to enforce Association's obligations in this Paragraph O, such indemnified party shall recover any and all attorneys' fees and costs incurred in prosecuting such enforcement action in addition to attorneys' fees and costs incurred in defending the underlying allegations or claims. The costs of fulfilling the Association's indemnification, defense and hold harmless obligations in this

Paragraph O shall be Operating Expenses to the extent such matters are not covered by insurance maintained by the Association. Notwithstanding the foregoing, the indemnification and defense obligations in this Paragraph O shall not apply to: (1) any damage claim directly asserted by the Association against the Declarant for defects in construction of improvements constructed by the Declarant on the Association Property provided such claim does not arise out of or result from any third party claim, and/or (2) any gross negligence, willful or criminal misconduct by the indemnified parties.

Section 2. BY THE OWNERS.

A. Except only for the Home Landscaping Services to be performed by the Association as provided in Article X, Section 1.I above, the Owner of each Lot must keep and maintain the Lot and the Improvements thereon, including equipment and appurtenances, in good order, condition and repair, and must perform promptly all maintenance and repair work within, upon and outside of such Owner's Home which, if omitted, could adversely affect the Community, the other Owners or the Association and its Members. The Owner of each Lot shall be responsible for any damages caused by a failure to so maintain such Lot, Improvements and Home. The Owners' responsibility for maintenance, repair and replacement shall include, but not be limited to, all of the physical structures constructed in, upon, above or below the Lot, and all physical items attached or connected to such structures that run beyond the boundary line of the Lot which exclusively service or benefit the Lot and Home. Without limiting the generality of the foregoing, the Owner of each Lot shall keep all drainage structures (such as drains and catch basins), if any, located on the Owner's Lot clear of dirt, grass, leaves and other debris and Owner shall be responsible for all damage to any portion of the drainage structures and surrounding areas caused by Owner's failure to maintain such drainage structures located on Owner's Lot. Additionally, the painting, caulking and maintenance of the exterior surface of all walls (including, without limitation, any masonry walls extended from the rear of the Home), doors, windows and roof of the physical structure of the Home shall be performed by the Owner, and the exterior surface of such walls, doors, windows and roof shall at all times be maintained in a good and serviceable condition with no damage or other defect therein by the Owner. The Owner of a Lot shall also maintain the stain tank located on the Lot, if any, in good order, condition and repair, and keep the stain tank adequately filled with the appropriate type, amount and mixture of chemicals and properly operate the stain tank so as to minimize any rusting or oxidation to walls, fences, sidewalks or other structures caused by irrigation water. The Owner of a Lot further agrees to timely pay for all utilities (including, without limitation, those provided by the Community Systems), such as telephone, cable or satellite television, water (including water associated with irrigation), sewer, sanitation, electric, etc., that may be separately billed or charged to each Home. The Owner of each Lot shall be responsible for insect and pest control within the Home and the Lot. Whenever the maintenance, repair and replacement of any items which an Owner is obligated to maintain, repair or replace at such Owner's own expense is occasioned by any loss or damage which may be covered by any insurance maintained in force by the Association, the proceeds of the insurance received by the Association shall be used for the purpose of making such maintenance, repair or replacement, except that the Owner shall be, in said instance, required to pay such portion of the costs of such maintenance, repair and

replacement as shall, by reason of the applicability of any deductibility provision of such insurance or otherwise, reduce the amount of the insurance proceeds applicable to such maintenance, repair or replacement.

- В. In addition to the foregoing, the Owner of each Home shall be required to maintain appropriate climate control, keep such Owner's Home clean, promptly repair any leaks and take necessary measures to retard and prevent mold, fungi, mildew and mycotoxins from accumulating in the Home. Each Owner shall be required to clean and dust such Owner's Home on a regular basis and to remove visible moisture accumulation on windows, window sills, walls, floors, ceilings and other surfaces as soon as reasonably possible and must not block or cover any heating, ventilation or air-conditioning ducts, and to properly maintain and have serviced on a regular basis, the Home's HVAC system. Each Owner of a Home shall be responsible for damage to such Owner's Home and personal property as well as any injury to the Owner of a Home and/or occupants of the Home resulting from the Owner's failure to comply with these terms. Each Owner of a Home shall be responsible for the repair and remediation of all damages to the Home caused by mold, fungi, mildew and mycotoxins. While the foregoing are intended to minimize the potential developments of molds, fungi, mildew and other mycotoxins, each Owner understands and agrees that there is no method for completely eliminating the development of same. Declarant does not make any representations or warranties regarding the existence or development of molds, fungi, mildew or mycotoxins, and each Owner on behalf of themselves and their Occupants (and each of their respective heirs, successors and assigns) shall be deemed to and by acceptance of a deed or title to the Home or by use of the Home, waives and expressly releases any such warranty and any and all losses, claims, demands, suits, actions, causes of action, liabilities (including, without limitation, property damage, personal injury and/or death), judgments, damages (including, without limitation, all secondary, incidental, consequential, special and/or punitive damages), fines, liens, encumbrances, penalties, costs and expenses of whatever nature or kind (including, without limitation, Legal Fees), related to, arising out of and/or resulting from the existence and/or development of molds, fungi, mildew and/or other mycotoxins of any kind.
- C. Owners of all Homes shall also be responsible, at their own cost and expense, to: (i) fix leaks in and otherwise maintain and repair the roofs of their Homes; (ii) repair or replace, as necessary, any broken or damaged windows in the Home; (iii) replace any dead or obviously dying trees on their Lots; (iv) maintain, repair and replace any fences on their Lots (except as otherwise provided in Article XI, Section 18 below); (v) keep the sidewalks, if any, located on or contiguous to their Lots clean and free from any stains, trash, debris and/or impediments to pedestrian traffic; (vi) clean, maintain, repair and replace the driveway located on and/or serving such Owner's Lot and all brick pavers and/or other driveway surfaces thereon, including that portion of the driveway, surfaces and driveway aprons located within a Street, Drive, Road and/or Roadway, if any, unless the driveway was damaged by the Association in the fulfillment of its obligations and duties under this Declaration; and (vii) maintain, repair and replace any discoloration, staining, and/or efflorescence on concrete sidewalks, concrete curbing, and brick pavers on driveways and walkways caused by or resulting from local soil conditions, including, without limitation, periodic maintenance to remove efflorescence,

discoloration and/or staining from material surfaces. Such cleaning, maintenance, repair and replacement obligations include, without limitation, all brick pavers and/or other driveway surfaces thereon, as well as repairing damage resulting from Root Intrusion whether from trees and/or other landscaping on the Lot or the Association Property).

- D. Certain Lots adjacent to Conservation Areas and/or Lakes may have retaining walls located between the Lot and the Conservation Areas and Lake. The Owner of each such Lot shall maintain, repair and replace the portion of the retaining wall located adjacent to Owner's Lot at the Owner's sole cost and expense and shall maintain the retaining wall in the same condition as originally constructed and installed by Declarant. The Owner of each such Lot acknowledges that the retaining wall is a continuous wall that expands across several Lots and no Owner shall install any plantings, landscaping and/or other Improvements whatsoever within five feet (5') of any retaining wall. In that regard, Owner further acknowledges and that Owner shall be responsible for all damage to any portion of the retaining wall caused by the Owner's failure to maintain, repair and replace the portion of the retaining wall located adjacent to Owner's Lot.
- E. If an Owner fails to comply with the foregoing provisions of this Section 2, the Association may proceed in court to compel compliance.
- F. If a failure to comply with the provisions of this Section 2 relates to the Owner's obligation to maintain and care for the Home, landscaping, rear yard drains, catch basins, retaining walls or any other area required to be maintained and cared for by the Owner, then, in addition to the exercise of all other remedies, the Association or Declarant shall have the right but not the obligation, upon fifteen (15) days written notice, to enter the Lot of the Owner for the purpose of performing the maintenance and care referred to, set forth and described in the notice, and to levy on the offending Owner a Special Assessment equal to the cost of performing such maintenance and care. Any such Assessment shall constitute a lien upon the applicable Lot and Home with the same force and effect as a lien for Operating Expenses. The determination of whether an Owner is failing to properly maintain and care for the property for which he has the maintenance responsibility under this Declaration or any of the other Governing Documents shall be determined in the sole and absolute discretion of the Association or Declarant.
- <u>Section 3.</u> <u>DAMAGE TO BUILDINGS; HOME REPAIRS AFTER CASUALTY</u>. If a Home is damaged or destroyed by fire or other casualty, its Owner shall properly and promptly restore or reconstruct it to at least as good a condition as it was before the casualty occurred. Any such work shall be in accordance with the original plans and specifications of the Home (allowing for building or fire code changes) or such other plans and specifications as are approved by the Committee in accordance with this Declaration (including, without limitation, Article IX above). In that regard, the Owner of any Home which has suffered damage or been destroyed shall apply to the Committee for approval for reconstruction, rebuilding, or repair of the Improvements therein. The Committee shall grant such approval only if, upon completion of the work, the

exterior appearance of the Improvements will be substantially similar to that which existed prior to the date of the casualty, except as otherwise may be approved by the Committee.

The owner or owners of any damaged building (including, without limitation, the Owner of a Lot and/or Home), the Association, and the Committee shall be obligated to proceed with all due diligence hereunder and the responsible parties shall commence reconstruction within three (3) months after the damage occurs and complete reconstruction within one (1) year after the damage occurs, unless prevented by causes beyond such parties' reasonable control. Each Owner of a Lot further covenants and agrees in the event of a loss or damage to such Owner's Home, Owner shall clean such Owner's Lot and remove all debris within thirty (30) days following such loss or damage. The Owner shall pay any costs of repair and reconstruction which are not covered by insurance proceeds.

Declarant shall be exempt from the provisions of this Section 3.

ARTICLE XI USE RESTRICTIONS

All of the Property shall be held, used, and enjoyed subject to the following limitations and restrictions, the Rules and Regulations and any and all additional rules and regulations which may, from time to time, be adopted by the Association, except as provided in Section 23 below (collectively, the "Use Restrictions"):

ENFORCEMENT. Failure of an Owner or Occupant to comply with any limitations Section 1. or restrictions in this Declaration or any of the other Governing Documents or with any other Rules and Regulations promulgated by the Association shall be grounds for action which may include, without limitation, an action to recover sums due for damages, injunctive relief, or any combination thereof. Without limiting the generality of the foregoing, an Owner shall also be responsible for the payment of any and all Legal Fees incurred by the Association in connection with the enforcement of this Declaration and/or any of the other Governing Documents, whether or not an action is actually begun. Any such Legal Fees shall be paid not later than thirty (30) days after written notice thereof and if not paid within such thirty (30) day period, shall constitute a lien upon the applicable Lot and Home with the same force and effect as a lien for Operating Expenses. Notwithstanding anything to the contrary, an Owner shall be jointly and severally liable for the acts and omissions of such Owner's Occupants. Accordingly, any breach or failure by an Owner's Occupant shall be deemed a breach or failure by such Owner and the Association's rights and remedies hereunder may be enforced against Owner without the necessity of exercising same against Occupant.

Notwithstanding the rights of the Association hereunder to enforce the terms and provisions of the Governing Documents, the Water Management District shall also have the right to take enforcement action, including a civil action for an injunction and penalties, against the Association to compel the Association to correct any failure by the Association to operate,

maintain and repair the Drainage System in accordance with this Declaration and/or the Water Management District Permit.

In the event of a violation of the Governing Documents by an Owner and/or such Owner's Occupants, in addition to all other remedies that may be available, the Association may: (i) suspend, for a reasonable period of time, the voting rights of such Owner, (ii) suspend, for a reasonable period of time, the rights of Owner and/or Owner's Occupants to use the Association Property and facilities (including, without limitation, cable television and other services provided by Community Systems other than telephone and any alarm lines), and/or (iii) levy reasonable fines against Owner; provided, that in the event of any of (i), (ii) or (iii) above, the following procedures are adhered to:

A. <u>Notice and Hearing</u>. The Association shall notify the Owner in writing of the noncompliance and set forth the corrective action to be taken. The rights of an Owner and the Owner's Occupants to use the Association Property and facilities (including, without limitation, cable television and other services provided by Community Systems other than telephone and any alarm lines) may be suspended and/or a fine may be levied against such Owner or Occupant by the Board at a properly noticed meeting of the Board. However, a fine or suspension of use rights for a violation of the Governing Documents may not be imposed without notice of at least fourteen (14) days to the Owner sought to be fined or suspended, and an opportunity for a hearing before the Sanction Review Committee (as defined below).

If the Board imposes a fine or suspension, the fine or suspension may not be imposed until the Owner or Owner's Occupant subject to the sanction has had an opportunity to appear at a hearing before a committee (the "Sanction Review Committee") consisting of at least three (3) 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 of the Association. The hearing before the Sanction Review Committee shall take place not sooner than fourteen (14) days from the date the notice of the hearing is mailed to the Owner or Owner's Occupant subject to the sanction. Only if the Sanction Review Committee, by majority vote, approves the proposed fine or suspension at such hearing can the fine or suspension be imposed. If the Sanction Review Committee, by majority vote, does not approve the proposed fine or suspension as determined by the Board, it may not be imposed. The Sanction Review Committee may not modify the fine or suspension as determined by the Board, but rather, may only affirm or reject it. A fine may be levied by the Board on a daily basis in the event of a continuing violation without the necessity of a new notice or hearing. A fine may exceed One Hundred Dollars (\$100.00) per violation and may exceed One Thousand Dollars (\$1,000.00) in the aggregate.

If the Association desires to impose a fine or suspend the use rights of an Owner or Owner's Occupants, the Association shall comply with the procedural requirements of Section 720.305 of the HOA Act, as may be amended from time to time, to the extent the procedural requirements in such statute are inconsistent with this Section 1.A. In such event, the

procedural requirements set forth in said Section 720.305 shall take priority over the fining and use right suspension procedures set forth herein to the extent of any inconsistency therewith.

- B. <u>Payment of Fine and Imposition of Suspension</u>. A fine shall be paid not later than five (5) days after notice by mail or hand delivery of the affirmation of the fine by the Sanction Review Committee. A fine shall be treated as an Assessment subject to the provisions of the collection of Assessments as otherwise set forth herein; provided that no fine less than One Thousand Dollars (\$1,000) shall be a lien on a Lot. All monies received from fines shall be allocated as directed by the Board, subject always to the provisions of this Declaration. A suspension shall be effective upon written notice thereof by mail or hand delivery of the affirmation of the suspension by the Sanction Review Committee.
- C. <u>Failure to Pay Assessments</u>. Notwithstanding anything to the contrary contained in the Governing Documents, unless contrary to applicable Law, the Notice and Hearing as provided in Paragraph A above or elsewhere in the Governing Documents, shall not be required and shall not apply with respect to the imposition of suspension of use or voting rights upon any Owner because of such Owner's failure to pay Assessments or other charges, or any other monetary obligation due to the Association when due, if such non-payment exceeds more than ninety (90) days.
- D. <u>Access</u>. Suspension of use rights to Association Property shall not prohibit the right of an Owner or an Owner's Occupant to have vehicular and pedestrian ingress to and egress from such Owner's Lot and/or Home, including, but not limited to, the right to park. Restricting access to use of visitor or guest lanes of the Community shall not be deemed an impairment of legal access hereunder.
- E. <u>No Waiver; Rights Cumulative</u>. No failure to insist upon strict performance by, or to object to, any Owner or Occupant's failure to comply with the Governing Documents, shall in any way constitute or be deemed a waiver by the Declarant or Association of: (a) such Owner's or Occupant's requirement and obligation to abide by the Governing Documents, or (b) the right to exercise its rights and remedies to enforce any such failure or subsequent failure to comply with the Governing Documents. All rights and remedies granted to Declarant and/or the Association pursuant to the Governing Documents and/or under the HOA Act shall be deemed to be cumulative and the exercise of one right or remedy shall not be deemed to constitute an election of rights or remedies, nor shall it preclude Declarant or the Association from exercising the same or any other rights or remedies as may be granted to them or as may be available to them at law or in equity.
- <u>Section 2.</u> <u>OCCUPANCY OF HOME</u>. The Fair Housing Act, as amended from time to time (collectively, the "Fair Housing Act"), provides that communities cannot reject families with children. However, the Fair Housing Act provides that a community is exempt from this prohibition if: (a) at least eighty percent (80%) of the units are occupied by at least one (1) person fifty-five (55) years of age or older per unit; and (b) the community has published and adheres to policies and procedures which demonstrate an intent by the owner or manager to provide

housing for persons fifty-five (55) years of age or older (hereinafter collectively referred to as the "Requirements for Exemption"). For so long as such provisions of the Fair Housing Act are in effect, Declarant intends that Valencia Ridge will be a community which falls within this exemption to the Fair Housing Act (the "Exemption") and may therefor prohibit families with children under the age of twenty-two (22) from residing in Valencia Ridge. Therefore, for so long as such provisions of the Fair Housing Act are in effect, except as hereinafter provided, (i) at least one occupant in each Home in Valencia Ridge must be at least fifty-five (55) years of age or older; and (ii) the Association must publish and adhere to policies and procedures which demonstrate an intent by the Association to provide housing for persons fifty-five (55) years of age or older.

- A. Board Discretion. The Requirements for Exemption contemplate that up to twenty percent (20%) of the Homes may be occupied by persons all of whom are under the age of fifty-five (55) without loss of the Exemption. Accordingly, the Board, upon application by an Owner, tenant, purchaser or proposed lessee, shall have absolute discretion to allow a Home to be occupied only by individuals under the age of fifty-five (55) based upon criteria that the Board shall determine, which criteria shall include, by way of example and not of limitation, information then known to the Board concerning potential or pending changes in occupancy of other Homes in Valencia Ridge, if any, due to known adverse medical conditions or domestic relations and the ages of any likely remaining occupants of such Homes; other known prospective changes in occupancy of Homes for whatever reasons; proximity to age fifty-five (55) of those occupants of other Homes in Valencia Ridge then under such age; and any other information known to and deemed relevant by the Board in carrying out its duty to monitor and control the percentage of the Homes becoming occupied only by persons under the age of fifty-five (55). However, for so long as the age provisions of the Fair Housing Act are in effect, the Board shall comply with the Requirements for Exemption, including, but not limited to, insuring that not more than twenty percent (20%) of the Homes in Valencia Ridge are occupied only by individuals under the age of fifty-five (55).
- B. <u>Declarant Rights; Limitations</u>. Notwithstanding the provisions of Paragraph A above, Declarant shall have the right to convey a Home owned by Declarant to a purchaser who intends that the Home be <u>occupied</u> only by persons under fifty-five (55) years of age provided that, for so long as the Fair Housing Act is in effect, after such conveyance not more than twenty percent (20%) of the Homes shall be occupied only by persons under fifty-five (55). Such Home shall, at the first change of occupancy thereafter, be subject to the requirement that at least one (1) occupant be fifty-five (55) years of age or older unless waived by the Board pursuant to the provisions of Paragraph A above.
- C. <u>Board Responsibility</u>. It shall be the responsibility of the Board to monitor the percentage of Homes with occupants all of whom are under the age of fifty-five (55) to insure that the Board does not permit more than twenty percent (20%) of the Homes in Valencia Ridge to be occupied only <u>by</u> persons under the age of fifty-five (55). The Board shall have the right to promulgate rules and regulations necessary to comply with the Requirements for Exemption so that the provisions of Paragraph E below limiting the number of days that children under the age of twenty-two (22) may stay in a Home are enforceable. The Board shall also be responsible for

complying with the provisions of Section 760.29(e), Florida Statutes, regarding registration of Valencia Ridge with the Florida Commission on Human Relations and submitting a letter to said commission regarding Valencia Ridge' compliance with said Section 760.29, Florida Statutes, as amended.

- D. Owner Responsibility. No Owner may lease or sell such Owner's Home unless at least one (1) of the intended occupants is fifty-five (55) years of age or older at the time of the occupancy, and such Owner shall submit an age verification form to the Association prior to the effective date of such occupancy which sets forth the ages of the intended occupants. The Board, however, shall have the right, in its sole and absolute discretion, to waive this requirement based upon criteria in accordance with the provisions set forth in Paragraph A above, but not if more than twenty percent (20%) of the Homes will not have at least one (1) occupant fifty-five (55) years of age or older. In the event there is a change in the occupants of the Home (e.g., a death or a divorce) so that at least one (1) of the occupants is no longer fifty-five (55) years of age or older, the Owner must immediately notify the Association of said change in writing.
- E. <u>Children</u>. As long as Valencia Ridge falls within the Exemption, no children under the age of twenty-two (22) shall be permitted to reside in any of the Homes, except for a period of time not to exceed a total of ninety (90) days per calendar year. In addition, children shall be allowed to play only in those areas of Valencia Ridge designated from time to time by the Association.
- F. Failure of Valencia Ridge to Comply with Exemption; Disclaimer of Liability. Notwithstanding anything contained herein to the contrary, it is acknowledged and agreed that, although it is the intent of Declarant and the Association that Valencia Ridge falls within the Exemption so that persons under the age of twenty-two (22) will be prohibited from residing within Valencia Ridge, no representation or warranty is given that Valencia Ridge will comply with the Exemption, and in the event for any reason it is determined that Valencia Ridge does not fall within the Exemption, and therefore it is unlawful to discriminate against families with children under the age of twenty-two (22), neither Declarant nor the Association shall have any liability in connection therewith. In addition, Declarant and/or the Association has caused or will cause to be recorded in the Public Records deed restrictions and/or restrictive covenants affecting Valencia Ridge which exempt the Declarant from, or entitles Declarant to a reduction in, certain impact fees, mobility fees and/or trip generation mitigation (including, without limitation, those described in Paragraph G below) provided that Valencia Ridge continues to prohibit children under the age of twenty-two (22) from residing in any Home as provided in this Declaration. In the event for any reason it is determined that Valencia Ridge does not fall within the Exemption or is otherwise no longer entitled to exemption from or reduction in such impact fees, mobility fees and/or trip generation mitigation, the Association shall be required to pay all such impact fees, mobility fees and other applicable sums due to the County. The Association agrees to indemnify and hold harmless the Declarant Parties from and against all fees, costs and expenses (including, without limitation, Legal Fees) incurred by such parties or any of them in the event that such impact fees, mobility fees and/or trip generation mitigation become due.

- G. <u>Pasco County Restrictions</u>. In compliance with the County requirements for a waiver of school impact fee or reduction of the mobility fee, transportation impact fee ("TIF") or trip generation mitigation, and in addition to the other provisions of this Section 2, the following covenants and restrictions are hereby imposed on the Community:
- (1) Valencia Ridge is a housing facility or community operating under the Exemption requirements of the Fair Housing Act. At least 80 percent (80%) of the Homes are occupied by at least one person 55 years or older, and the housing facility or community complies with 24 C.F.R. §§ 100.305, 100.306, and 100.307, as amended.
- (2) No person under the age of twenty two (22) shall be allowed to permanently occupy any Home in Valencia Ridge. Occupancy by the said individuals in any residential Homes for more than ninety (90) days shall constitute "permanent" occupancy.
- (3) The Association shall be responsible for enforcing the foregoing restrictions and shall be jointly and severally liable along with the Owner of the violating Homes to the County and the District School Board of Pasco County ("School Board"), for payments of any school impact fees, mobility fees, TIFs, or transportation mitigation waived or reduced if such restrictions have been violated. Such payments shall be calculated in accordance with the school impact fee, mobility fee, TIF, or the transportation mitigation rates or rules in effect at the time the violations are discovered.
- (4) The foregoing restrictions are for the benefit of the County and the School Board who shall have the right to enforce violations of the foregoing restrictions by assessment of school impact fees, TIFs, mobility fees, or transportation mitigation by any means legally available to the Association, or by any other legal remedy, including injunctive relief. The County and the School Board shall be entitled to recover any attorney's fees expended to enforce violations of the foregoing restrictions or to collect school impact fees, TIFs, or transportation mitigation waived or reduced in violation of the foregoing restrictions.
- (5) The foregoing restrictions shall survive any expiration of the other applicable restrictions and shall not be removed or amended without the consent and written agreement of both the County and the School Board. In addition, each Owner shall include the County restrictions as provided herein in each deed or other instrument of conveyance as and to the extent required by the County to be included in such deed or other instrument of conveyance.
- <u>Section 3.</u> <u>NUISANCES.</u> No obnoxious or offensive activity as determined by the Board shall be carried on or about the Lots or in or about any Improvements, Homes, Association Property or on any portion of the Community nor shall anything be done therein which may be or become an unreasonable annoyance or a nuisance to any Owner. No use or practice shall be allowed in or around the Homes and/or Lots which, as determined by the Board, is a source of annoyance to Owners or Occupants of Homes or which interferes with the rights, peaceful possession or proper use of the Homes or the surrounding areas. No loud noises, noxious or unpleasant odors, or ultra-hazardous activity, each as determined by the Board, shall be permitted or undertaken by any Owner and/or Occupant in any portion of the Community (including all Improvements,

Association Property, Homes or Lots). Without limiting the generality of any of the foregoing provisions, no horns, whistles, bells or other sound devices (other than security devices used exclusively for security purposes), noisy or smoky vehicles, unlicensed off-road motor vehicles or any items which may unreasonably interfere with television or radio reception of any Owner shall be located, used or placed on any Lot or Association Property, or exposed to the view of other Owners without the prior written approval of the Board.

Section 4. PARKING AND VEHICULAR RESTRICTIONS. Parking upon the Property shall be restricted to the driveway and garage located upon each Lot and the designated parking areas within the Association Property. No Owner shall store any items, materials or other personal property in the garage of such owner's Home to the extent such storage would limit or prohibit the use of the garage for the parking of vehicles. No parking on the Streets or encroachment onto sidewalks or swale areas is permitted. No Owner shall keep any vehicle on any Lot which is inoperable or deemed to be a nuisance by the Board. No Owner shall conduct repairs taking more than twenty-four (24) hours (except in an emergency or except within the garage of the Home with the garage door closed) or restorations of any motor vehicle, boat, trailer, golf cart or other vehicle upon any Lot. No commercial vehicle (as determined by the Board by way of rule from time to time) or any bus, trailer, recreational vehicle, mobile home, boat or boat trailer may be parked or stored on the Property overnight except in the garage of a Home located upon a Lot. No motor home, bus, commercial van, or tractor trailer or any other truck larger than a full size pickup truck may be parked on the Property, except temporarily as in the case of a moving van or other such vehicle necessary to provide service to an Owner and with the exception of any vehicles necessary for any construction activity being performed by or on behalf of Declarant.

<u>Section 5.</u> <u>NO IMPROPER USE.</u> No improper, offensive, hazardous or unlawful use shall be made of any Home nor shall anything be done thereon tending to cause embarrassment, discomfort, annoyance or nuisance to any person using any portion of the Property. All Laws and other requirements of all Governmental Authorities having jurisdiction thereover shall be observed. Violations of Laws or other requirements of any Governmental Authority having jurisdiction thereover relating to any Home or Lot shall be corrected by, and at the sole expense of, the Owner of said Home and/or Lot.

<u>Section 6.</u> <u>LEASES.</u> No portion of a Home (other than an entire Home) may be rented. All leases shall provide: (a) for a minimum lease term of seven (7) months, and (b) that the right of the tenant to use and occupy the Home and Association Property shall be subject and subordinate in all respects to the provisions of the Governing Documents. No lease shall provide for an early lease termination which would reduce a lease term to a period of less than seven (7) months except in the event of a default by the tenant and no Home may be rented more than one (1) time during any twelve (12) month period. All leases shall also provide, and if they do not so provide then the leases shall be deemed to provide, that the Association shall have the right to terminate the lease upon default by the tenant in observing any of the provisions of this Declaration or other Governing Documents, or of any other agreement, document or instrument governing the Lots or Homes. The Owner of a leased Home shall be jointly and severally liable with such Owner's tenant for compliance with the Governing Documents and to the Association

to pay any and all losses, claims, demands, suits, actions, causes of action, liabilities (including, without limitation, property damage, personal injury and/or death), judgments, damages (including, without limitation, all secondary, incidental, consequential, special and/or punitive damages), fines, liens, encumbrances, penalties, costs and expenses of whatever nature or kind (including, without limitation, Legal Fees), related to, arising out of and/or resulting from the negligence, or willful or criminal misconduct, of the tenant and/or those for whom the Owner is responsible. Every lease shall be subordinate to any lien filed by the Association whether before or after such lease was entered into. Each Owner shall be required to use a lease addendum which provides, among other things, that the tenant will pay the rent due under the lease directly to the Association upon receipt of notice from the Association that the Owner is delinquent in amounts due to the Association of more than sixty (60) days. The Association has the right to require Owners to use a lease addendum the form of which may be prepared by the Association providing for, among other things, the foregoing. Even if such lease addendum is not included, each lease entered into by Owner for a Home shall be deemed to include the foregoing by this reference.

Within five (5) days following execution of a lease for a Home, but in no event later than occupancy of the Home by a tenant, Owner shall: (a) notify the Association in writing with the name of the tenant and all of tenant's Occupants who will be occupying the Home, and (b) provide the Association with a true, correct and complete copy of the lease agreement. In the event Owner fails to timely comply with the foregoing, such lease shall be null and void and of no further force or effect, and Owner shall be in violation of this Declaration. The provisions of this Section 6 shall also apply to renewals of leases. In no event shall subleases or assignment of leases be permitted without the prior written approval of the Association. In addition, a person occupying a Home for more than one (1) month without the Owner or tenant or a member of the Owner's or tenant's family being present shall not be deemed a guest, but rather, shall be deemed a tenant for purpose of the provisions of this Section 6.

In the event that an Owner is delinquent in the payment of Assessments or other sums due and owing to the Association, the Lot shall not be leased until such amounts are paid in full or unless the Association consents, in writing, to any such lease. If the Lot is leased in violation of this provision, the Association may terminate the lease and evict the tenants in addition to imposing all other available remedies. In the event an Owner is in default in the payment of Assessments or other sums due and owing to the Association and the Owner's Lot is leased, the Association shall have the right and authority to collect the rent to be paid by the tenant to the Owner directly from the tenant. In the event such tenant fails to remit said rent directly to the Association within ten (10) days (but no later than the day the next rental payment is due) from the day the Association notified such tenant in writing that the rents must be remitted directly to the Association, the Association shall have the right to terminate the lease and evict the tenant. All sums received from the tenant shall be applied to the Owner's account for the leased Lot according to the priority established in Section 720.3085 of the HOA Act until the Owner's account is current. All leases entered into by an Owner shall be deemed to automatically incorporate this provision and all the Owners hereby appoint the Association its agent for such purpose. The Association may, without further approval of the Owner of the leased Lot, terminate the lease for violations of the Declaration by the tenants and/or other Occupants and thereafter evict the tenants and Occupants from the Lot.

In addition to any notice to a tenant of a Lot permitted to be given by Law, an Owner by acceptance of a deed or title to a Lot, does hereby irrevocably grant to the Association (and its officers, directors, designees, agents, and employees) and to any professional management or accounting firm providing management or accounting services to the Association, the right to notify, in writing, the tenants of the Lot of any delinquency by the Owner of the Lot in payment of any monetary obligations due to the Association, including but not limited to the amount thereof. Further each Owner hereby agrees and acknowledges that the disclosure of any of Owner's delinquent monetary obligations due to the Association, as provided in the preceding sentence, shall not be construed or be deemed to be a violation of the Fair Debt Collection Practices Act, 15 U.S.C. Section 1692, et seq.

ANIMALS AND PETS. Only common domesticated household pets may be kept on any Lot or in a Home, but in no event for the purpose of breeding or for any commercial purposes whatsoever. No other animals, livestock, horses, reptiles or poultry of any kind shall be kept, raised, bred or maintained on any portion of the Property. Free-ranging domestic animals (i.e., domestic animals that spend all or a portion of their time outdoors where they may prey on wildlife) are also prohibited and shall not be kept, raised, bred or maintained on any portion of the Community, including the Home, Lot and Association Property. Permitted pets shall only be kept subject to and in accordance with the Rules and Regulations. No pets shall be allowed which constitute a nuisance as determined by the Board. Any pet must be carried or kept on a leash when outside of a Home or fenced-in area. No pet shall be kept tied up outside of a Home or in any screened porch or patio, unless an Owner or Occupant is present in the Home. An Owner or Occupant, as applicable, shall immediately pick up and remove any solid animal waste deposited by such Owner's or Occupant's pet on the Property. An Owner is responsible for the cost of repair or replacement of any Association Property damaged by such Owner's or Occupant's pet.

Notwithstanding the foregoing, under no circumstances shall a Pit Bull (as hereinafter defined), Rottweiler, Presa Canario (canary dog) or Dangerous Dog (as hereinafter defined) be permitted on the Property. As used in this Declaration: (i) a "Pit Bull" is defined as any dog that is an American Pit Bull Terrier, American Staffordshire Terrier, Staffordshire Bull Terrier, or any dog displaying a majority of the physical traits of any one (1) or more of the above breeds, or any dog exhibiting those distinguishing characteristics which substantially conform to the standards established by the American Kennel Club or United Kennel Club for any of the above breeds; and (ii) a "Dangerous Dog" is defined as a dog which meets any one (1) of the following criteria: (a) has aggressively bitten, attacked, endangered or inflicted severe injury on a human being at any time whether on or off the Property, (b) has severely injured or killed a domestic animal at any time whether on or off the Property, or (c) has, when unprovoked, chased or approached any person upon the Streets, Drives, Roads, Avenues, Roadways and/or Sidewalks, or any other portion of the Property in a menacing fashion or exhibiting an apparent attitude of attack; provided, however, a dog shall not be a "Dangerous Dog" if the threat, injury, death or damage was sustained by a person who, at the time, was unlawfully on the Property (or any

portion thereof) or, while lawfully on the Property (or any portion thereof), was tormenting, abusing, assaulting or provoking the dog or its owner or a family member; provided further, that no dog may be a "Dangerous Dog" if the dog was protecting or defending a human being within the immediate vicinity of the dog from an unjustified attack or assault.

Each Owner, on behalf of such Owner or Occupant, who houses or permits a pet to be kept, hereby agrees to indemnify, defend and hold harmless the Association and the Declarant Parties from and against all losses, claims, demands, suits, actions, causes of action, liabilities (including, without limitation, property damage, personal injury and/or death), judgments, damages (including, without limitation, all secondary, incidental, consequential, special and/or punitive damages), fines, liens, encumbrances, penalties, costs and expenses of whatever nature or kind (including, without limitation, Legal Fees) related to, arising from or growing out of such Owner or Occupant having any animal on the Property. The foregoing indemnity, defense and hold harmless obligations expressly include, without limitation, those relating to, arising out of, resulting from and/or in any way connected with acts, omissions and/or negligence of such indemnified parties.

<u>ADDITIONS AND ALTERATIONS</u>. No Home shall be enlarged or modified by any addition thereto or to any part thereof, and no Owner shall make any Improvement, addition, or alteration to the exterior of such Owner's Home, including, without limitation, the painting, staining, or varnishing of the exterior of the Home, including doors, garage doors, driveways and walkways, without the prior written approval of: (i) the Committee as set forth in Article IX above, which approval may be withheld for purely aesthetic reasons, and (ii) all applicable Governmental Authorities.

<u>Section 9.</u> <u>INCREASE IN INSURANCE RATES; CANCELLATION OF POLICY.</u> No Owner or Occupant may engage in any action or conduct which may reasonably be expected to result in an increase in the rate or cancellation or non-renewal of any insurance policy or policies covering or with respect to any portion of the Property not owned by such Owner.

<u>Section 10.</u> <u>EMERGENCIES.</u> In case of any emergency originating from or threatening any Lot, the Board or any individuals authorized by the Board shall have the immediate right, but not the obligation, to enter any Lot for the purpose of remedying or abating the cause of emergency, at the Board's discretion, notwithstanding that the Owner of such Lot is present at the time of such emergency.

Section 11. SLOPES AND TREES. No Owner or Occupant may engage in any activity which will change the slope or drainage of a Lot, including, without limitation, Lake Bank slopes. In that regard and without limiting the generality of the foregoing, no Owner or Occupant may alter the slopes, contours or cross-sections of the Lakes, Lake Banks, littoral zones, canals, or canal banks; or chemically, mechanically or manually remove, damage or destroy any plants in any littoral zones. All trees and other landscaping within the Community have been installed in accordance with a landscape plan that meets the requirements of the County LDC. As a result, no additional trees are permitted to be planted on the Property by any Owner or Occupant and no trees are

permitted to be removed from the Property (other than dead or dying trees which are being replaced with trees of the same species) without the prior written consent of Declarant for as long as Declarant owns a Lot, and thereafter, without the prior written consent of the Board. Any Owner or Occupant who removes or installs any tree upon their Lot which is not in conformance with the approved landscape plan shall be responsible for any costs, fines and fees imposed by the County as a result of such action. Declarant and the Association shall each (acting alone) have the right, but not the obligation, after ten (10) days prior notice and demand to do so, to remove (at such Owner's cost and expense) any trees or other landscaping installed by or on behalf of an Owner which is not in accordance with this Declaration.

Section 12. SIGNS. No sign, display, poster, advertisement, notice, lettering or other advertising device of any kind whatsoever (including, without limitation, "For Sale", "For Rent", "By Owner", "Open House", directional signs leading to Homes, or any other signs for the sale or renting of homes) may be exhibited, displayed, inscribed, painted or affixed in public view or on the exterior of any portion of any vehicle, building or other Improvement in the Property (including, without limitation, a Home) without the prior written consent of the Board, which consent may be given, withheld or conditioned in the sole and absolute discretion of the Board. Neither the Board nor the Committee shall consent to any type of "For Sale", "For Rent", "By Owner", "Open House", directional signs leading to Homes, or other sign for the renting or sale of a Home so long as Declarant owns a Lot in the Community or so long as Declarant or any of Declarant's affiliates (or any of their respective successors or assigns) are conducting sales and marketing of Homes in the Community or other communities developed or marketed by Declarant or its affiliates, whichever is later. Signs, regardless of size, used by Declarant or any of Declarant's affiliates, or any of their successors or assigns, for advertising, marketing or directional purposes during the construction and sale period of the Community or other communities developed and/or marketed by Declarant or its affiliates and other signs authorized by Declarant shall be exempt from this Section 12. Such sign or signs as Declarant may be required to erect under the terms of an Institutional Mortgage shall also be exempt from this Section 12. This Section 12 may not be amended, modified and/or removed without the prior written consent of Declarant.

Section 13. TRASH AND OTHER MATERIALS. No rubbish, trash, garbage, refuse, recycling materials or other waste material shall be kept or permitted on the Lots and/or Association Property, or other portions of the Property, except in sanitary containers located in appropriate areas (i.e., areas not visible from the street or any other Lot other than at times of scheduled trash or recycling pick-up), and no odor shall be permitted to arise therefrom so as to render the Property or any portion thereof unsanitary, offensive, detrimental or a nuisance to Owners or to any other property in the vicinity thereof or to its Occupants. No clothing or other household items shall be hung, dried, or aired in such a way as to be visible from the Association Property or another Lot. No stripped vehicles, lumber or other building materials, grass, tree clippings, metals, scrap, automobile pieces or parts, refuse, or trash shall be stored or allowed to accumulate on any portion of the Property except when accumulated during construction by Declarant, during construction approved by the Architectural Control Committee, or when accumulated by the Association for imminent pick-up and discard.

<u>Section 14.</u> <u>TEMPORARY STRUCTURES.</u> No tent, shack, shed or other temporary building or Improvement, other than separate construction, service and sales trailers to be used by Declarant, Declarant's affiliates, and/or their respective agents and contractors, for the construction, service and sale of the Community or other communities, shall be placed upon any portion of the Property, either temporarily or permanently. No trailer, motor home or recreational vehicle shall be: (a) used as a residence, either temporarily or permanently, or (b) parked overnight upon the Property.

<u>Section 15.</u> <u>OIL AND MINING OPERATIONS</u>. No oil drilling, oil development operations, oil refining, boring or mining operations of any kind shall be permitted upon or on any Lot nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any Lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any Lot.

<u>Section 16.</u> <u>SEWAGE DISPOSAL</u>. No individual sewage disposal system shall be permitted on any of the Property, provided that a central sewage disposal system is being operated in accordance with the requirements of the Governmental Authority having jurisdiction over said central system.

<u>Section 17.</u> <u>WATER SUPPLY</u>. No individual water supply system shall be permitted on any of the Property, provided that one or more central water supply systems are being operated in accordance with requirements of the Governmental Authority having jurisdiction over said central system.

Section 18. FENCES. Any fence placed upon any Lot must be approved by the Committee, as provided in Article IX above, prior to installation. Except as otherwise permitted in this Declaration and/or the Rules and Regulations, in no event may the Committee approve any request for a fence to be placed in any of the following areas: (a) the area between the front of a Home and the Street, Drive, Road and/or Roadway at the front of the Lot on which the Home is situated, unless specifically required by the LDC; or (b) except as expressly provided below, any Drainage Easement within the Property as set forth on the Plats or in a separate instrument recorded in the Public Records and (c) Lake or Lake Maintenance Easement. Landscaping that creates a hedge or vegetative fence must comply with all guidelines and requirements imposed by the Committee, including, without limitation, those relating to species planted, height restrictions and permissible locations. In the event the Committee approves the installation of a fence, it shall also have the right to require installation of certain landscaping, also subject to the Committee's approval, at the time the fence is installed.

The Owner shall maintain, and assumes complete responsibility to maintain, any approved fence and shall also be responsible to remove any fence if required to be removed by any applicable Governmental Authority or any removal agreement required to be executed by Owner. Such maintenance includes, but is not limited to, repainting the fence and trimming and removal of any plants and other landscaping from the fence. No Owner shall be permitted to: (a)

attach their fence to any perimeter fence or wall located on or within any of the Buffers or Open Space Areas, or to otherwise fence-in or enclose any portion of a Buffer or other Association Property, and/or (b) install a fence or any portion thereof within any Lake or Lake Maintenance Easement on the Property.

Notwithstanding that an Owner has obtained the approval of the Committee to install a fence or landscape materials as provided in this Section 18, such installation shall be at the Owner's sole risk so long as Declarant has not yet begun or is engaged in the construction of a Home on an adjacent Lot. Declarant shall have the right (but not the obligation), in its sole and absolute discretion, to temporarily remove the fence, if necessary, in order to complete construction of the Home on the adjacent Lot. In the event such construction activity on an adjacent Lot or Declarant's temporary removal of the fence causes damage to or destruction of such Owner's fence or landscape materials or any part thereof, the Owner on whose Lot the fence and/or landscaping has been damaged shall be required, at the Owner's expense, to repair or replace such fence and/or landscape materials in conformance with the requirements of the Committee's approval of the initial installation of the fence and/or landscape materials and Declarant shall have no liability for any such damage or destruction. Such repair or replacement shall commence as soon as construction on the adjacent Lot has been completed and shall be pursued to completion with due diligence. For purposes of this paragraph, the term "landscape materials" shall include landscape materials located on or adjacent to any property line of a Lot, including, by way of example and not of limitation, hedges, shrubs and trees, whether associated with a fence or not.

The installation of any fence placed upon any Lot is subject to easements which run with the land. In the event that any fence is approved by the Committee and is permitted to cross any such easements, such Committee's approval is still subject to Owner first receiving written approval from the grantee of such easements and all other applicable Governmental Authorities. In the event the grantee (or its successors and/or assigns) of any such easement which runs with the land (i.e., Withlacoochee River Electric Cooperative, other utility provider and/or the County) requires the removal of any fence upon the Lot, then the Owner of said Lot shall, at the Owner's sole cost and expense, immediately remove the fence. Notwithstanding the foregoing or any permit or approval issued by a Governmental Authority to the contrary, no fence may be installed within any Lake or Lake Maintenance Easement on the Property. The Owner of a Lot, when installing any fence upon the Lot, shall comply with all applicable Laws in addition to the Committee approval required by Article IX above.

Each Owner acknowledges and agrees that in order for the Association to provide the Home Landscaping Services on the Lot as provided in this Declaration, it is necessary for the Association to have access to the lawns and landscaping on the Lot. Accordingly, in the event that an Owner of a Lot desires to install a fence on such Owner's Lot, the Committee's approval of such fence may be conditioned upon, among other things, the installation of operable gates providing reasonable access in locations and of sufficient width approved by the Committee, including, without limitation, the front, sides and/or rear of the Lot. In the event Owner fails to install such operable gates providing reasonable access, Owner shall be responsible for the

maintenance and care of the lawn and landscaping on the Lot, if any, in the portion of the Lot which becomes enclosed by the fence construction. In such event, the Association shall no longer provide any of the Home Landscaping Services to such enclosed portions of the Lot and Owner shall not be excused from the payment of the Special Service Assessments for the Home Landscaping Services or entitled to any reduction in Assessments for being responsible for such maintenance and care. "Maintenance and care" within the meaning of this subsection shall include, by way of example and not of limitation, mowing, edging, fertilizing and spraying of lawns, maintenance of the Irrigation Systems or portion thereof, replacement of sod, and the trimming, fertilizing and spraying of any hedge within the enclosed portions of the Lot. In the event the Owner fails to properly maintain such Owner's Lot and/or Home pursuant to this paragraph, then the Association or Declarant shall have the right but not the obligation, upon fifteen (15) days written notice, to enter the property of the Owner for the purpose of performing the maintenance referred to, set forth and described in the notice. The determination of whether an Owner is failing to properly maintain and care for the property for which such Owner has the maintenance responsibility shall be determined in the sole and absolute discretion of the Association or Declarant. Further, if failure to comply relates to the Owner's obligations to maintain and care for such Owner's Lot, Home or other Improvement, the Association shall be entitled, but not obligated, to perform such maintenance and care itself and to levy on the offending Owner an Assessment equal to the cost of performing such maintenance and any such Assessment shall constitute a lien upon the applicable Lot and Home with the same force and effect as a lien for Operating Expenses.

No Owner shall be permitted to install a fence within any Drainage Easement without the prior written consent of the Committee, which consent shall be conditioned and subject to Owner's compliance with all of the following:

- (i) Owner shall, at Owner's sole cost and expense, obtain all permits and written approvals from the Governmental Authorities having jurisdiction over the Drainage Easement (including, without limitation, the Water Management District).
- (ii) Owner may be required to install one or more operable gates within the Drainage Easement in locations determined by the Committee in its sole and absolute discretion, and sufficient to provide adequate access to the Association to perform its maintenance obligations required under this Declaration and adequate access to the Water Management District to access the Drainage Easement and exercise its rights in the Drainage Easement.
- (iii) Owner shall not change or alter the slope or drainage of any portion of the affected Drainage Easement. Moreover, no alteration of a drainage swale, drainage lines, and other equipment shall be authorized and any damage to any drainage swale, drainage lines, and other equipment, shall be repaired by Owner, at Owner's sole cost and expense. The Drainage Easement, as

- applicable, shall be immediately returned to the condition in which it existed at the time of the initial conveyance of the Lot by Declarant.
- In the event the Association and/or Governmental Authorities wish to obtain ingress and/or egress to the Drainage Easement for any purpose including, without limitation, installation, maintenance or repairs of the improvements located therein, Owner shall, at its sole cost and expense, remove those portions of the fence which may be required in order for the Association and/or Governmental Authorities to obtain access in and to the improvements. Except for emergency situations, in the event the Owner fails to comply within fifteen (15) days of receipt of written notice from the Association and/or the Governmental Authorities requesting the removal of the fence, the Association may remove any and all portion of the fence and Owner shall be responsible for all removal costs. The Association shall be entitled to levy an assessment equal to the costs of the fence removal against the Owner and its respective Lot, and such Assessment shall constitute a lien upon the applicable Lot with the same force and effect as a lien for Operating Expenses. Owner shall, at its sole cost and expense, be responsible to replace and reinstall any portions of the fence removed pursuant to this clause (iv). Owner shall also execute and deliver such removal and indemnification agreements as may be required by the Association and/or the Governmental Authorities as a further condition of permitting a fence to be installed within any Drainage Easement.

Section 19. ANTENNAE. No outside television, radio, or other electronic towers, aerials, antennae, satellite dishes or devices of any type for the reception or transmission of radio or television broadcasts or other means of communication shall hereafter be erected, constructed, placed or permitted to remain on any portion of the Property or upon any improvements thereon, unless expressly approved in writing by the Association, except that this prohibition shall not apply to those satellite dishes that are one (1) meter (39.37 inches) in diameter or less, and specifically covered by 47 C.F.R. Part 1, Subpart S, Section 1.4000, as amended, promulgated under the Telecommunications Act of 1996, as amended from time to time. The Association is empowered to adopt, and amend from time to time, rules governing the types of satellite dishes or antennae which may be permitted and restrictions relating to safety, location and maintenance of satellite dishes or antennae. The Association may also adopt (and amend from time to time) and enforce reasonable rules limiting installation of permissible satellite dishes or antennae to certain specified locations, not visible from the street or neighboring properties, and integrated with the Property and surrounding landscape, to the extent that reception of an acceptable signal would not be unlawfully impaired by such rules and provided the cost of complying with such rules would not unreasonably increase the cost of installation of permissible satellite dishes or antennae. Any permissible satellite dishes or antennae shall be installed in compliance with all Laws, including zoning, land-use and building regulations. Further, any Owner desiring to install permissible satellite dishes or antennae may, but is not obligated to, submit plans and specifications for same to the Architectural Control Committee to ensure compliance with the Association's rules governing the types of permissible satellite dishes and antennae and restrictions relating to safety, location and maintenance of satellite dishes and antennae. This Section 19 shall not apply to Declarant.

Section 20. CONSERVATION AREAS. The Conservation Areas shall not, in any way, be altered from their natural state except as provided for by the Conservation Documents and Requirements, if any. Activities prohibited within the Conservation Areas (other than clearing and construction for drainage facilities) include, but are not limited to, construction or placing of buildings on or above the ground; dumping or placing other substances such as trash; removal or destruction of trees, shrubs, or other vegetation (other than exotic/nuisance vegetation removal); excavation, dredging or removal of soil material; diking or fencing; and any other activities detrimental to drainage, flood control, water conservation, erosion control or fish and wildlife habitat conservation or preservation.

Any Owner who violates the foregoing restrictive covenants shall be responsible for the cost of restoring the affected Conservation Area to the satisfaction of the Association, CDD, Declarant, and any Governmental Authority having jurisdiction thereof, and the Association shall have the right to prohibit the offending party from further use or enjoyment of the Conservation Area after prior Notice and Hearing before the Board. Notwithstanding the foregoing, the Owners shall have the right, without prior notice, to enter the Conservation Area for hiking, birding, and other passive, nondestructive activities during the hours of dawn to dusk.

BECAUSE THE CONSERVATION AREAS ARE TO BE RETAINED IN THEIR NATURAL STATE, SUCH AREAS SHOULD BE CONSIDERED HAZARDOUS FOR RECREATIONAL ACTIVITIES. NEITHER THE ASSOCIATION, THE CDD, NOR DECLARANT, NOR ANY OF THEIR AFFILIATES, HAS ANY OBLIGATION TO PROVIDE SECURITY OR SUPERVISION FOR ANY PERSON USING THE CONSERVATION AREAS, AND ALL PERSONS USING THE CONSERVATION AREAS DO SO AT THEIR OWN RISK.

INSECTS, SNAKES, AND ANIMALS THAT MAY BE DANGEROUS TO HUMANS MAY INHABIT THE CONSERVATION AREAS.

OWNERS SHOULD NOT ALLOW CHILDREN OR PETS TO ENTER THE CONSERVATION AREAS WITHOUT ADULT SUPERVISION.

NEITHER THE ASSOCIATION, THE CDD, NOR DECLARANT NOR ANY OTHER DECLARANT PARTIES SHALL HAVE ANY LIABILITY WHATSOEVER FOR ANY CONDITION OF THE CONSERVATION AREAS OR ANY INJURY OR DEATH OCCURRING THEREON.

THE ASSOCIATION SHALL HAVE THE RIGHT TO IMPOSE ADDITIONAL RULES AND REGULATIONS GOVERNING THE USE OF THE CONSERVATION AREAS.

IF THE CONSERVATION AREAS (INCLUDING, WITHOUT LIMITATION, THE TREES OR VEGETATION THEREON) ARE DAMAGED OR DESTROYED BY FIRE, WINDSTORM, FLOOD, DISEASE,

OR OTHER NATURAL OR MANMADE EVENT, NEITHER THE ASSOCIATION, THE CDD, NOR DECLARANT OR ANY OTHER DECLARANT PARTIES, SHALL HAVE ANY OBLIGATION TO REPAIR OR RESTORE THE DAMAGE OR DESTRUCTION, OR TO REMOVE ANY DEAD OR DAMAGED TREES OR OTHER VEGETATION UNLESS REQUIRED BY APPLICABLE GOVERNMENTAL AUTHORITIES.

Section 21. IMPROPER USE OF ASSOCIATION RECORDS, DIRECTORIES AND COMMUNICATIONS. No Member, Owner or Occupant shall use the Association's Official Records, membership directories or other Association communications such as, by way of example and not limitation, e-mails containing one or more Member's e-mail addresses, for any purpose whatsoever other than as strictly related to Association business. Failure to comply with the requirements of this Section 21 shall, without limitation, constitute a nuisance for which the Association may, in addition to any and all other remedies available to the Association, seek an injunction against the offending Members, Owners and/or Occupants.

<u>Section 22.</u> <u>UNMANNED AERIAL VEHICLES</u>. The use of UAVs by Owner and Owner's Occupants is prohibited except and to the extent expressly permitted by the Rules and Regulations, if any, regarding use and operation of UAVs by Owner and/or Owner's Occupants.

Section 23. <u>DECLARANT EXEMPTION</u>. Declarant plans to undertake the work of constructing Homes and Improvements upon the Property and may undertake the work of constructing other buildings upon adjacent land or other property being developed or marketed by Declarant or its affiliates. The completion of the aforementioned work and the sale, rental and other transfer of Homes by Declarant and Declarant's affiliates are essential to the establishment and welfare of the Property. In order that such work may be completed and a fully occupied community established as rapidly as possible, neither the Owners (or any of Owners' Occupants), the Association, nor the Architectural Control Committee shall do anything whatsoever to interfere with any of Declarant's or Declarant's affiliates' activities relating to the selling or constructing of Homes and Improvements upon the Property, the selling or constructing of other buildings upon adjacent land or any other property being developed or marketed by Declarant or any of Declarant's affiliates, or the sale, rental and/or other transfer of Homes by Declarant or any of Declarant's affiliates. In this respect, Declarant hereby reserves the right for itself and its employees, agents, licensees, and invitees to come upon any and all portions of the Property (including, without limitation, the Association Property as well as a Lot even after the same has been conveyed to an Owner) as may be necessary or convenient to enable Declarant to carry on its work and other activities including, without limitation, Declarant's development and construction of the Community and the Homes therein.

In general, none of the Use Restrictions set forth in this Article XI shall apply to Declarant or its designees, or to Lots owned by Declarant or its designees. Declarant shall specifically be exempt from any restrictions, conditions and/or limitations which interfere in any manner whatsoever with Declarant's plans for development, construction, sale, lease, or use of the Property and to the Improvements being placed or constructed thereon, or concerning the development, construction, sale, lease or use of any other real estate developments owned by or being developed, marketed and/or sold by affiliates of Declarant. Declarant shall be entitled

to injunctive relief for any actual or threatened interference with its rights under this Article XI in addition to whatever remedies at Law to which it might be entitled.

ARTICLE XII SALES, LEASES AND CONVEYANCES

In order to assure that Valencia Ridge will be a community of congenial and responsible residents and that prospective purchasers will comply with the requirements of the Declaration and thus protect the value of the Homes, the sale, lease or transfer of Homes shall be subject to the following provisions, in addition to any other provisions in the Governing Documents regarding such sale, lease or transfer of Homes.

Prior to the sale, lease or transfer of a Home within Valencia Ridge, the Owner of the Home shall submit an application for sale, lease or transfer and age verification form to the Association prior to the effective date of the sale, lease or transfer of said Home. The form of application for sale, lease or transfer and age verification form shall be supplied by the Association and shall provide for the ages of the intended occupants and such other information as the Association may reasonably require including the ages of their children. In accordance with Article XI, Section 2.D above, except as herein provided, an Owner shall not sell, lease or transfer such Owner's Home unless at least one (1) of the intended occupants of such Home is fifty-five (55) years of age or older at the time of occupancy. However, the Board shall have the right, in its sole and absolute discretion, to waive this requirement based upon criteria in accordance with the provisions set forth in Article XI, Section 2.D above, but not if more than twenty percent (20%) of the Homes in Valencia Ridge will not have an occupant fifty-five (55) years of age or older. The Association will have thirty (30) days to approve the sale, lease or transfer of a Home and such approval shall be in writing and in recordable form, signed by any officer of the Association, and shall be given to the intended occupant. If the Association does not approve the sale, lease or transfer of a Home within the thirty (30) day period, then the sale, lease or transfer of a Home shall be deemed denied.

ARTICLE XIII <u>DAMAGE OR DESTRUCTION TO ASSOCIATION PROPERTY; CONDEMNATION</u>

Damage to or destruction of all or any portion of the Association Property, or any taking of Association Property (or any part thereof) as a result of condemnation or eminent domain, shall, notwithstanding any provision in this Declaration to the contrary, be handled as follows:

- A. If insurance proceeds are sufficient to effect total restoration of damaged or destroyed Association Property, then the Association shall cause such Association Property to be repaired and reconstructed substantially as it previously existed.
- B. If insurance proceeds are insufficient to effect total restoration, and the cost of restoration exceeds such proceeds by One Hundred Thousand Dollars (\$100,000.00) or less, then the Association shall cause the Association Property to be repaired and reconstructed substantially as it previously existed and the difference between the insurance proceeds and the

actual cost shall be levied as a Special Assessment proportionately against each of the Lots in accordance with the provisions of Article VII and Article VIII above.

- C. If the insurance proceeds are insufficient to effect total restoration and the cost of restoration of the Association Property exceeds said proceeds by over One Hundred Thousand Dollars (\$100,000.00), then by the written consent or vote of a majority of the voting interests, they shall determine whether: (i) to rebuild and restore either: (a) in substantially the same manner as the Improvements existed prior to the damage or destruction; or (b) in a manner less expensive, and in the event of (a) or (b) to raise the necessary rebuilding and restoration funds by levying pro rata restoration and construction Special Assessments against all Lots; or (ii) to not rebuild and to retain the available insurance proceeds. In the event it is decided that the damaged or destroyed Association Property shall not be rebuilt, the remains of any structure or structures shall be torn down and hauled away, so as not to be a safety hazard or visual nuisance, and the land shall be fully sodded and landscaped or otherwise treated in an attractive manner. Notwithstanding anything contained herein to the contrary, any decision not to rebuild or to rebuild in a manner which would result in a change in the Improvements shall not be effective without the prior written approval of Declarant (which approval may be given, conditioned or withheld in Declarant's sole and absolute discretion) as long as Declarant owns any portion of the Property.
- D. Each Owner shall be liable to the Association for any damage to the Association Property not fully covered or collected by insurance which may be sustained by reason of the negligence, or willful or criminal misconduct of said Owner or of such Owner's Occupants, both minors and adults. In addition, the Association shall have the right to charge such Owner a Special Assessment equal to the increase, if any, of any insurance premium due from the Association which is directly or indirectly attributable to the damage or destruction caused by such Owner or such Owner's Occupants, both minors and adults.
- E. In the event that the repairs and replacements were paid for by any Special Assessments as well as insurance proceeds and regular Assessments, then, if after the completion of and payment for the repair, replacement, construction or reconstruction there shall remain any excess in the hands of the Association, it shall be presumed that the monies disbursed in payment of any repair, replacement, construction and reconstruction were first disbursed from insurance proceeds and regular Assessments and any remaining funds shall be deemed to be the remaining Special Assessments which shall be returned to the Owners by means of a *pro rata* distribution in accordance with the collection of such Special Assessments.
- F. In the event the Association receives any award or payment arising from the taking of any Association Property or any part thereof as a result of the exercise of the right of condemnation or eminent domain, the net proceeds thereof shall first be applied to the restoration of such taken areas and improvements thereon to the extent deemed advisable by the Board and approved by at least two-thirds (2/3) of the total voting interests, and the remaining balance thereof, if any, shall then be distributed pro rata to Owners and mortgagees of Lots as their respective interests may appear.

ARTICLE XIV INSURANCE

The Association shall purchase and maintain the following insurance coverages subject to the following provisions, and the cost of the premiums therefor shall be a part of the Operating Expenses:

<u>Section 1.</u> <u>CASUALTY INSURANCE</u>. Property and casualty insurance in an amount equal to the then full replacement cost, exclusive of land, foundation, excavation and other items normally excluded from such coverage, of all Improvements and personal property which are owned by the Association and now or hereafter located upon the Association Property, which insurance shall afford protection against fire and such other risks, if any, as shall customarily be covered with respect to areas similar to the Association Property in developments similar to the Community in construction, location and use.

Section 2. PUBLIC LIABILITY INSURANCE. A comprehensive policy of public liability insurance naming the Association and Declarant (until Declarant no longer owns any Lot with the Property) as named insureds thereof insuring against any and all losses, claims, demands, suits, actions, causes of action, liabilities (including, without limitation, property damage, personal injury and/or death), judgments, damages (including, without limitation, all secondary, incidental, consequential, special and/or punitive damages), fines, liens, encumbrances, penalties, costs and expenses of whatever nature or kind (including, without limitation, Legal Fees), related to, arising out of and/or resulting from the operation, maintenance and use of the Association Property and any Improvements located thereon, and for any other risks insured against by such policies with limits of not less than One Million Dollars (\$1,000,000.00) for damages incurred or claimed by any one person for any one occurrence; not less than Three Million Dollars (\$3,000,000.00) for damages incurred or claimed by more than one person for any one occurrence; and for not less than Fifty Thousand Dollars (\$50,000.00) property damage per occurrence with no separate limits stated for the number of claims. The Association may also obtain worker's compensation insurance and other liability insurance including, but not limited to, insurance for lawsuits related to employment contracts in which the Association is a party, as it may deem desirable.

<u>Section 3.</u> <u>FIDELITY COVERAGE</u>. Adequate fidelity coverage to protect against dishonest acts of the officers and employees of the Association and the Board and all others who handle and are responsible for handling funds of the Association shall be maintained in the form of fidelity bonds, which requirements shall be reasonably determined by the Board.

<u>Section 4.</u> <u>DIRECTORS' COVERAGE</u>. Adequate directors' and officers' liability coverage, which coverage shall be effective from and after the date the Association is created.

<u>Section 5.</u> <u>OTHER INSURANCE</u>. The Board may obtain such other forms of insurance as the Board may determine and in such coverage amounts as the Board shall determine to be required or beneficial for the protection or preservation of the Association Property and any

Improvements now or hereafter located thereon or in the best interests of the Association and/or its directors and officers.

<u>Section 6.</u> <u>CANCELLATION OR MODIFICATION</u>. All insurance policies purchased by the Association shall provide that they may not be cancelled (including for nonpayment of premiums) or substantially modified without at least thirty (30) days prior written notice to the Association and to each first mortgage holder, if any, named in the mortgage clause.

<u>Section 7.</u> <u>FLOOD INSURANCE</u>. If determined appropriate by the Board, or if required by an Institutional Mortgagee holding a mortgage on any portion of the Association Property, a master or blanket policy of flood insurance covering the Association Property, if available under the National Flood Insurance Program, shall be purchased, which flood insurance shall be in the form of a standard policy issued by a member of the National Flood Insurers Association, and the amount of the coverage of such insurance shall be the lesser of the maximum amount of flood insurance available under such program, or one hundred percent (100%) of the current replacement cost of all buildings and other insurable property located in the flood hazard area.

<u>Section 8.</u> <u>WAIVER OF SUBROGATION</u>. As to each policy of insurance maintained by the Association which will not be voided or impaired thereby, the Association hereby waives and releases all claims against the Board, the Owners, Declarant and the agents and employees of each of the foregoing, with respect to any loss covered by such insurance, whether or not caused by negligence of or breach of any agreement of said persons, but only to the extent that such insurance proceeds are received in compensation for such loss.

Section 9. INDIVIDUAL INSURANCE. Each Owner, at such Owner's sole cost and expense, shall purchase and maintain blanket all-risk property and casualty and windstorm insurance on the Home in an amount not less than its full insurable value, as well as flood insurance coverage, if located in a flood zone. The Association shall have the right (but not the obligation) to request evidence of the insurance coverages required to be maintained by each Owner under this Section 9. In the event the Association requests such evidence (which Association shall have absolutely no obligation whatsoever to do), Owner shall be furnish such evidence to the Association promptly upon the Board's request. Notwithstanding the foregoing or anything to the contrary, neither the Association nor Declarant shall have any liability relating to or arising out: (a) whether or not Owners obtain insurance for their Home, (b) the amount of insurance coverage obtained and/or the types and coverages obtained by such Owners (or any failure thereof), and/or (c) Association not requesting evidence of such insurance by the Owners.

ARTICLE XV GENERAL AND OTHER PROVISIONS

<u>Section 1.</u> <u>CONFLICT WITH OTHER GOVERNING DOCUMENTS</u>. In the event of any conflict between the provisions of this Declaration and the provisions of the Articles, Bylaws and/or the Rules and Regulations, the provisions of this Declaration, the Articles, the Bylaws and the Rules and Regulations shall control, in that order.

<u>NOTICES</u>. Any notice or other communication required or permitted to be given or delivered hereunder shall be deemed properly given and delivered upon the mailing thereof by United States mail, postage prepaid, to: (i) each Owner, at the address of the person whose name appears as the Owner on the records of the Association at the time of such mailing and, in the absence of any specific address, at the address of the Home owned by such Owner; (ii) the Association, certified mail, return receipt requested, at 1600 Sawgrass Corporate Parkway, Suite 400, Sunrise, Florida 33323, or such other address as the Association shall hereinafter notify Declarant and the Owners of in writing; and (iii) Declarant, certified mail, return receipt requested, at 1600 Sawgrass Corporate Parkway, Suite 400, Sunrise, Florida 33323, or such other address or addresses as Declarant shall hereafter notify the Association of in writing, any such notice to the Association of a change in Declarant's address being deemed notice to the Owners.

ENFORCEMENT. The Governing Documents may be enforced by Declarant (so long Section 3. as Declarant holds an equitable or legal interest in any Lot and/or Home), the Association, any Owner and any Institutional Mortgagee holding a mortgage on any portion of the Property in any judicial proceeding seeking any remedy recognizable at Law or in equity, including damages, injunction or any other form of relief against any person, firm or entity violating or attempting to violate any of the Governing Documents. The failure by any party to enforce the Governing Documents (in whole or in part) shall in no event be deemed a waiver thereof or of the right of such party to thereafter enforce the Governing Documents. The prevailing party in any such litigation shall be entitled to reimbursement of all costs thereof including, but not limited to, Legal Fees, from the non-prevailing party. The Water Management District shall have the right to enforce, by a proceeding at Law or in equity, the provisions contained in this Declaration which relate to the maintenance, operation and repair of the Drainage System. In addition, the Association shall be entitled to recover pre-litigation Legal Fees incurred in enforcing the Governing Documents which shall be collectible in the same manner as Assessments as set forth in the Declaration.

<u>Section 4.</u> <u>INTERPRETATION</u>. The provisions of the Governing Documents shall be liberally construed to effectuate their purpose of creating a uniform plan for the development of a residential community and for the maintenance of recreational facilities and Association Property. The Governing Documents shall be interpreted, in good faith and with due reasonableness, by the Board. In the event of a doubt or dispute as to any such interpretation, a written opinion of a legal counsel to the Association that such interpretation is not unreasonable shall cause the interpretation to be binding and conclusive.

Article, Section and Paragraph captions, headings and titles inserted throughout this Declaration are intended as a matter of convenience only and in no way shall such captions, headings or titles define, limit or in any way affect the subject matter or any of the terms and provisions thereunder or the terms and provisions of this Declaration. Whenever the context so requires or permits, any pronoun used herein may be deemed to mean the corresponding masculine, feminine or neuter form thereof, and the singular form of any nouns and pronouns herein may be deemed to mean the corresponding plural form thereof and vice versa.

Section 5. SEVERABILITY. In the event any of the provisions of this Declaration shall be deemed invalid by a court of competent jurisdiction, said judicial determination shall in no way affect any of the other provisions hereof, which shall remain in full force and effect, and any provisions of this Declaration deemed invalid by a court of competent jurisdiction by virtue of the term or scope thereof shall be deemed limited to the maximum term and scope permitted by Law. In the event that any court should hereafter determine that any provision of this Declaration is in violation of the rule of property known as the "rule against perpetuities" or any other rule of Law because of the duration of a time period, such provision shall not thereby become invalid, but instead the duration of such time period shall be reduced to the maximum period allowed under such rule of Law, and in the event the determination of the duration of such time period requires measuring lives, such measuring life shall be that of the incorporator of the Association.

Section 6. CERTAIN RIGHTS OF DECLARANT; COMMUNITY APPROVALS. Notwithstanding anything to the contrary herein contained, no Improvements constructed or installed by Declarant shall be subject to the approval of the Association, the Architectural Control Committee, or the Owners, although it is the intent of the Declarant to create a community with a common scheme of development, as same may change from time to time as provided in this Declaration. Notwithstanding the other provisions of this Declaration, the Declarant reserves for itself, its affiliates, and their respective nominees, the right to enter into and transact on the Property any business that Declarant determines to be necessary or appropriate to consummate the sale, lease or encumbrance of Homes or other real property located within or outside the Community, including, but not limited to, the right to: (a) maintain model homes, sales and/or leasing offices, construction offices and/or service offices, (b) place signs, (c) employ sales, leasing, construction and service personnel, (d) use the Association Property, (e) hold promotional and other events on the Property and to use the Association Property for or in connection with such events, and (f) show Homes. Declarant further reserves the right to make repairs to the Association Property and to carry on construction activity for the benefit of the Property, all of which activities may continue even after the Turnover Date. The Declarant, its affiliates and their respective nominees, may exercise the foregoing rights without notifying the Association and/or the Owners. Any such model homes, sales and/or leasing offices, construction offices, service offices, signs and any other items pertaining to such sales, leasing, construction or service efforts shall not be considered a part of the Association Property and shall remain the property of the Declarant.

In addition, the Declarant hereby has, shall have and hereby reserves the right to enter upon the Lots and Association Property (including, without limitation, all access, drainage, lake maintenance, canal maintenance, and utility easements, and the Conservation Areas, whether located on a Lot or Association Property) in order for Declarant to final-out and/or close-out any and all approvals, permits, orders, conditions and/or requirements that have been issued or imposed by any Governmental Authority in connection with the development and construction of the Community and all Improvements therein (collectively, the "Community Approvals"), and for Declarant to comply and adhere to the same, and such rights shall survive the Turnover Date and continue for such period of time as is necessary for Declarant to fully

comply with all such Community Approvals. Without limiting the generality of the foregoing, in exercising any such rights, Declarant shall have the right to add, remove and/or relocate any and all items (including, without limitation, landscape materials, fences and/or other Improvements) that may be required to be added, removed and/or relocated to final-out and/or close-out any and all Community Approvals without compensation to the Association or the Owners. The foregoing shall also include the right of the Declarant to enter onto the Lots and/or Association Property, as applicable, to: (a) add or replace items removed or altered by Owners or the Association, as applicable, (b) remove items installed by the Association or an Owner which are not in accordance with the Community Approvals, and (c) add, remove or relocate any and all items as may otherwise be required by Governmental Authorities; all without compensation to the Association or the Owners.

Association is and shall be responsible for complying and causing all Association Property to comply with the Community Approvals, including, without limitation, those Community Approvals that may be in the Declarant's name and not yet transferred to the Association. All fees, costs, expenses and other sums of complying with the Community Approvals shall be deemed Operating Expenses of the Association. In the event Declarant is unable to: (i) final-out and/or close-out any and all such Community Approvals as a result of Association's failure to timely and/or properly perform any of its operation, maintenance and/or repair obligations pursuant to the Governing Documents, the Community Approvals and/or any other applicable Laws; or (ii) obtain a return of any bond or surety posted by Declarant in connection with the development and construction of the Community, then Declarant shall have the immediate right, but not the obligation, in its sole and absolute discretion, to (a) commence an enforcement action against the Association, including, without limitation, monetary penalties and injunctive relief, to compel the Association to perform such operation, maintenance and/or repair obligations as required by this Declaration and/or the Community Approvals, as applicable; and/or (b) take any and all actions necessary, at the Association's sole cost and expense, to comply with and adhere to any such Community Approvals. The Association hereby agrees to indemnify and reimburse the Declarant (within ten (10) days of receipt of a written invoice from Declarant) for all fees, costs, expenses and other sums incurred by Declarant (including, without limitation, Legal Fees) in the event that Declarant takes actions in accordance with this Section 6 (including, without limitation, those actions or inactions of Owners that cause Declarant to be unable to final-out and/or close-out any Community Approvals). The rights granted to Declarant hereunder shall survive the Turnover Date and continue for such period of time as is necessary for Declarant to fully comply with all Community Approvals.

The Declarant shall also have the right, but not the obligation, to conduct inspections and tests from time to time of all or any portion of the Association Property in order to ascertain the physical condition of the Improvements and to determine if maintenance, repair or replacement of any such Improvement is necessary. If the Declarant conducts any such tests or inspections, it shall pay all costs thereof and restore the affected portion of the Property to its condition immediately prior to the inspections and tests. The Declarant shall have such rights of entry on, over, under, across and through the Property as may be reasonably necessary to exercise the rights described in this Section 6. The Declarant's right of inspection shall exist

whether or not the Turnover Date has occurred. In the event the Declarant exercises its inspection rights, it is acknowledged by the Association and all Owners that the Declarant is performing any such inspections for its own benefit and not for the benefit of the Association and/or the Owners and further, the Declarant shall have no obligation to inform the Association and/or the Owners of the result of any such inspection.

Declarant further has, shall have and hereby reserves the right to permit purchasers who are under contract with Declarant to purchase a Lot in the Community and/or other invitees of Declarant (including, without limitation, prospective purchasers of Declarant or Declarant's affiliates), the right to use and enjoy the Association Property and/or participate in Association events or functions, all as determined by Declarant in Declarant's sole and absolute discretion and without the consent of the Association and/or the Owners.

This Section 6 may not be suspended, superseded or modified in any manner by any amendment to this Declaration unless such amendment is consented to in writing by the Declarant. This right of use and transaction of business as set forth herein and the other rights reserved by the Declarant in the Governing Documents may be assigned in writing by the Declarant in whole or in part. For the purposes of this Section 6, the term "Declarant" shall include any "Lender" which has loaned money to the Declarant to acquire or construct Improvements upon the Property, or its successors and assigns if such Lender, its successors or assigns, acquires title to any portion of the Property as a result of the foreclosure of any mortgage encumbering any portion of the Property securing any such loan to the Declarant, or acquires title thereto by deed in lieu of foreclosure. The rights and privileges of the Declarant as set forth in this Section 6 are in addition to, and are no way a limit on, any other rights or privileges of the Declarant under any of the Governing Documents.

<u>Section 7.</u> <u>DISPUTES AS TO USE</u>. In the event there is any dispute as to whether the use of the Property or any portion or portions thereof complies with this Declaration, such dispute shall be referred to the Board, and a determination rendered by the Board with respect to such dispute shall be final and binding on all parties concerned therewith, subject to Section 4 above of this Article XV. Notwithstanding anything to the contrary herein contained, any use by Declarant of the Property shall be deemed a use which complies with this Declaration and shall not be subject to a contrary determination by the Board.

<u>Section 8.</u> <u>AMENDMENT AND MODIFICATION</u>. The process of amending or modifying this Declaration shall be as follows:

A. Until the Turnover Date, all amendments or modifications shall only be made by Declarant without the requirement of the Association's consent or the consent of the Owners, except for amendments prohibited by the HOA Act; provided, however, that the Association shall, forthwith upon request of Declarant, join in any such amendments or modifications and execute such instruments to evidence such joinder and consent as Declarant shall, from time to time, request.

- B. After the Turnover Date, this Declaration may be amended at any time and from time to time by: (i) the consent of the Owners owning two-thirds (2/3) of all Lots; together with (ii) the approval or ratification of a majority of the Board. The aforementioned consent of the Owners owning two-thirds (2/3) of the Lots may be evidenced by a writing signed by the required number of Owners or by the affirmative vote of the required number of Owners at any regular or special meeting of the Association called and held in accordance with the Bylaws and evidenced by a certificate of the Secretary or an Assistant Secretary of the Association.
- C. After the Turnover Date and notwithstanding Paragraph B above, amendments for correction of scrivener's errors or other nonmaterial changes made for the purpose of clarification may be made by the Board without the need for consent of the Owners.
- D. Notwithstanding anything to the contrary herein contained, no amendment to this Declaration shall be effective which shall impair, prejudice, reduce and/or eliminate the rights, remedies, priorities and/or interests of Declarant or any Institutional Mortgagee under the Governing Documents without the specific written approval of such party affected thereby (including, without limitation, the specific provisions listed below in this paragraph). In addition, and notwithstanding anything to the contrary contained herein: (1) no amendment to this Declaration shall be effective which shall eliminate or modify the provisions of: Article II, Section 6; Article IX, Section 13; Section 12 and Section 23 of Article XI; and/or Section 6, Section 12, Section 13, Section 14, Section 26, Section 27, Section 28, or Section 29 of this Article XV, and any such amendment shall be deemed to impair, prejudice reduce or eliminate the rights of Declarant. Notwithstanding the foregoing, the requirement to obtain Declarant's prior written consent shall terminate and be of no further force or effect on the date that is eleven (11) years following the Turnover Date.
- E. A true copy of any recorded Amendment or Supplemental Declaration to this Declaration shall be sent certified mail by the Association to Declarant and to all Institutional Mortgagees holding a mortgage on any portion of the Property having requested notice. The Amendment or Supplemental Declaration, as applicable, shall become effective upon its recording in the Public Records.
- F. Any proposed amendment to the Declaration which would affect the Drainage System (including, without limitation, the water management portions of the Association Property), shall be submitted to the Water Management District and any other Governmental Authority having jurisdiction over the Drainage System for a determination of whether the proposed amendment necessitates a modification of the Water Management District Permit for the Property.
- G. Notwithstanding anything contained herein to the contrary, Declarant may, without the consent of any Owners, file any Amendments to this Declaration which may be required by an Institutional Mortgagee for the purpose of satisfying such Institutional Mortgagee's development criteria or such other criteria as may be established by such mortgagee's secondary mortgage market purchasers, including, without limitation, the Federal

National Mortgage Association and the Federal Home Loan Mortgage Corporation; provided, however, any such Amendments described in this Paragraph G must be in accordance with any applicable rules, regulations and other requirements promulgated by the United States Department of Housing and Urban Development.

<u>Section 9.</u> <u>DELEGATION</u>. The Association, pursuant to a resolution duly adopted by the Board, shall have the continuing authority to delegate all or any portion of its responsibilities for maintenance, operation and administration, as provided herein, to any managing agency or entity selected by the Board from time to time and whether or not related to Declarant.

Section 10. TERM. This Declaration and the terms, provisions, covenants, restrictions, easements, reservations, conditions, limitations, rules, regulations, charges, burdens and liens contained herein shall run with and bind the Property, and inure to the benefit of Declarant, the Association and the Owners and their respective legal representatives, heirs, successors and assigns for a term of fifty (50) years from the date of recording this Declaration amongst the Public Records, after which time this Declaration shall be automatically renewed and extended for successive periods of ten (10) years each unless at least one (1) year prior to the termination of such fifty (50)-year term or any such ten (10)-year extension there is recorded amongst the Public Records an instrument agreeing to terminate this Declaration signed by Owners owning two-thirds (2/3) of the Lots and Institutional Mortgagees holding first mortgages encumbering two-thirds (2/3) of all Lots encumbered by first mortgages held by Institutional Mortgagees, upon which event this Declaration shall be terminated upon the expiration of the fifty (50)-year term or the ten (10)-year extension during which such instrument was recorded.

In the event this Declaration is terminated or the Association ceases to exist for any reason, the Owners shall be jointly and severally responsible for the costs to maintain and shall maintain the Association Property in the manner described herein. This provision may not be amended or deleted without the prior written consent of the County and this provision shall survive the termination of this Declaration and shall run with the Property in perpetuity. Any Owner may, however, petition the Circuit Court for the appointment of a Receiver to manage the affairs of the Association in the event of dissolution of the Association.

Section 11. RIGHTS OF MORTGAGEES.

- A. <u>Right to Notice</u>. The Association shall make available for inspection upon request, during normal business hours or under reasonable circumstances, the Governing Documents and the books, records and financial statements of the Association to Owners and the holders, insurers or guarantors of any first mortgages encumbering any portion of the Property. In addition, evidence of insurance shall be issued to each Owner and mortgagee holding a mortgage encumbering a Home upon written request to the Association.
- B. <u>Rights of Listed Mortgagee</u>. Upon written request to the Association, identifying the name and address of the holder, insurer, or guarantor (such holder, insurer or guarantor is herein referred to as a "**Listed Mortgagee**") of a mortgage encumbering a Lot and

the legal description of such Lot, the Association shall provide such Listed Mortgagee with timely written notice of the following:

- (1) Any condemnation, loss or casualty loss which affects any material portion of the Association Property;
- (2) Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association;
- (3) Any proposed action which would require the consent of mortgagees holding a mortgage encumbering a Lot; and
- (4) Any failure by an Owner owning a Lot encumbered by a mortgage held, insured or guaranteed by such Listed Mortgagee to perform such Owner's obligations under the Governing Documents, including, but not limited to, any delinquency in the payment of Assessments, or any other charge owed to the Association by said Owner where such failure or delinquency has continued for a period of sixty (60) days.
- C. <u>Right of Listed Mortgagee to Receive Financial Statement</u>. Any Listed Mortgagee shall, upon written request made to the Association, be entitled to financial statements of the Association for the prior fiscal year free of charge and the same shall be furnished within a reasonable time following such request.
- Section 12. APPROVAL OF ASSOCIATION LAWSUITS BY OWNERS. Notwithstanding anything contained herein to the contrary, in order to prevent the Board from incurring expenses (including, without limitation, Legal Fees) not contemplated by the Governing Documents, the Association shall be required to obtain the approval of three-fourths (3/4) of the total voting interests (at a duly called meeting of the Owners at which a quorum is present) prior to engaging persons or entities for the purpose of suing, or making, preparing or investigating any lawsuit, or commencing any lawsuit other than for the following purposes:
 - (a) the collection of Assessments;
- (b) the collection of other charges which Owners are obligated to pay pursuant to the Governing Documents;
- (c) the enforcement of the use and occupancy restrictions contained in the Governing Documents;
- (d) defending or otherwise responding to a complaint, charge or other legal filing, the failure of which will result in a default or material harm to be incurred by the Association or the Association Property;
- (e) dealing with an emergency when waiting to obtain the approval of the Owners creates a substantial risk of irreparable injury to the Association Property or to Owners (the imminent expiration of a statute of limitations shall not be deemed an emergency obviating the need for the requisite vote of three-fourths [3/4] of the Owners);

- (f) enforcing the Association's rights and remedies under any service or supply contract between the Association and any vendor, service supplier, insurer or other party; or
 - (g) filing a compulsory counterclaim.

The provisions of this Section 12 may not be amended, modified and/or removed (in whole or in part) without the prior written consent of Declarant, which consent may be withheld or delayed in Declarant's sole and absolute discretion. Notwithstanding the foregoing, the requirement to obtain Declarant's prior written consent shall terminate and be of no further force or effect on the date that is eleven (11) years following the Turnover Date.

Section 13. COMPLIANCE WITH PROVISIONS. Every person who owns, occupies or acquires any right, title, estate or interest in or to any Lot except as elsewhere herein provided does consent and agree to, and shall be conclusively deemed to have consented and agreed to, every limitation, restriction, easement, reservation, condition and covenant contained herein, whether or not any reference to these restrictions is contained in the instrument by which such person acquired an interest in such property. Declarant shall not in any way or manner be held liable or responsible for any violation of this Declaration by any person other than Declarant.

EACH OWNER ACKNOWLEDGES AND AGREES THAT OWNER SHALL BE RESPONSIBLE AND LIABLE IN ALL RESPECTS FOR THE ACTIONS AND INACTIONS OF SUCH OWNER'S OCCUPANTS INCLUDING, WITHOUT LIMITATION, ALL PERSONAL INJURIES AND/OR DEATH OF SUCH OCCUPANTS. IN THAT REGARD, EACH OWNER HEREBY AGREES TO INDEMNIFY AND HOLD THE ASSOCIATION (AND ITS OFFICERS AND DIRECTORS) AND THE DECLARANT PARTIES, HARMLESS FROM AND AGAINST ANY AND ALL LOSSES, CLAIMS, DEMANDS, SUITS, ACTIONS, CAUSES OF ACTION, LIABILITIES, JUDGMENTS, DAMAGES (INCLUDING, WITHOUT LIMITATION, ALL SECONDARY, INCIDENTAL, CONSEQUENTIAL, SPECIAL AND/OR PUNITIVE DAMAGES), FINES, LIENS, ENCUMBRANCES, PENALTIES, COSTS AND EXPENSES OF WHATEVER NATURE OR KIND (INCLUDING, WITHOUT LIMITATION, LEGAL FEES) ARISING OUT OF AND/OR RESULTING FROM ANY AND ALL PERSONAL INJURIES AND/OR DEATH SUFFERED BY SUCH OWNER'S OCCUPANTS. THE FOREGOING INDEMNIFICATION AND HOLD HARMLESS OBLIGATIONS SHALL APPLY REGARDLESS OF THE CAUSE OF SUCH PERSONAL INJURIES AND/OR DEATHS INCLUDING, WITHOUT LIMITATION, THE NEGLIGENCE AND/OR WILLFUL MISCONDUCT OF SUCH INDEMNIFIED PARTIES.

The provisions of this Section 13 may not be amended, modified and/or removed (in whole or in part) without the prior written consent of Declarant, which consent may be withheld or delayed in Declarant's sole and absolute discretion.

Section 14. NOTICE OF CONSTRUCTION ACTIVITIES IN THE COMMUNITY; ASSUMPTION OF RISK; AND HOLD HARMLESS. ALL OWNERS, OCCUPANTS AND USERS OF THE COMMUNITY ARE HEREBY PLACED ON NOTICE THAT: (a) DECLARANT AND/OR ITS AGENTS, CONTRACTORS, SUBCONTRACTORS, LICENSEES AND OTHER DESIGNEES MAY BE, FROM TIME TO TIME, CONDUCTING EXCAVATION, CONSTRUCTION AND OTHER ACTIVITIES WITHIN OR IN PROXIMITY

TO THE COMMUNITY; (b) CERTAIN PORTIONS OF THE COMMUNITY WILL BE OPEN AND ACCESSIBLE DURING ONGOING CONSTRUCTION ACTIVITIES; (c) STREETS, DRIVES, ROADS, AND ROADWAYS WITHIN THE COMMUNITY WILL BE OPEN TO VEHICULAR, BICYCLE, AND PEDESTRIAN TRAFFIC BEFORE THEY ARE COMPLETED AND PRIOR TO INSTALLATION OF A FINAL LIFT OF ASPHALT THEREON (WHICH FINAL LIFT MAY NOT BE INSTALLED UNTIL MOST, IF NOT ALL, CONSTRUCTION IN THE ENTIRE COMMUNITY IS COMPLETED); AND (D) LIPPAGE (E.G., DEVIATIONS IN ELEVATION) WILL EXIST (BOTH BEFORE AND AFTER COMPLETION OF CONSTRUCTION AND POURING OF A FINAL LIFT OF ASPHALT) ADJACENT TO AND/OR BETWEEN PAVEMENT, GUTTERS, SIDEWALKS, CURBS, MANHOLE COVERS AND/OR DRAINAGE GRATES.

BY THE ACCEPTANCE OF THEIR DEED, TITLE OR OTHER CONVEYANCE OR MORTGAGE, LEASEHOLD, LICENSE OR OTHER INTEREST, AND/OR BY USING ANY PORTION OF THE COMMUNITY, EACH SUCH OWNER, OCCUPANT AND USER, FOR THEMSELVES AND EACH OF THEIR RESPECTIVE FAMILY MEMBERS (MINOR OR OTHERWISE), HEIRS, LEGAL REPRESENTATIVES, SUCCESSORS AND ASSIGNS AUTOMATICALLY ACKNOWLEDGES, STIPULATES AND AGREES AS FOLLOWS: (i) THAT NONE OF THE AFORESAID ACTIVITIES SHALL BE DEEMED NUISANCES OR NOXIOUS OR OFFENSIVE ACTIVITIES, HEREUNDER OR AT LAW GENERALLY; (ii) NOT TO ENTER UPON, OR ALLOW THEIR CHILDREN OR OTHER PERSONS UNDER THEIR CONTROL OR DIRECTION TO ENTER UPON (REGARDLESS OF WHETHER SUCH ENTRY IS A TRESPASS OR OTHERWISE) ANY PROPERTY WITHIN OR IN PROXIMITY TO THE COMMUNITY WHERE THE AFORESAID ACTIVITIES ARE BEING CONDUCTED (EVEN IF NOT BEING ACTIVELY CONDUCTED AT THE TIME OF ENTRY, SUCH AS AT NIGHT OR OTHERWISE DURING NON-WORKING HOURS); (iii) LIPPAGE (E.G., DEVIATIONS IN ELEVATION) AS DESCRIBED ABOVE IN THIS SECTION 14 IS AN EXPECTED CONDITION, IS NOT A DEFECT IN DESIGN, CONSTRUCTION OR INSTALLATION OF SUCH FACILITIES: AND (iv) THAT THE OWNER OR OCCUPANT IS AT RISK OF SUFFERING INJURY TO BOTH THEIR PERSON AND/OR PROPERTY AS A RESULT OF ENTRY UPON AND/OR THE USE OF ANY PROPERTY WITHIN OR IN PROXIMITY TO THE COMMUNITY WHERE THE AFORESAID ACTIVITIES ARE BEING CONDUCTED.

EACH OWNER, OCCUPANT AND USER EXPRESSLY ASSUMES FULL RESPONSIBILITY FOR THE RISK OF BODILY INJURY, DEATH OR PROPERTY DAMAGE SUFFERED AS A RESULT OF: (A) THE AFORESAID EXCAVATION, CONSTRUCTION AND OTHER ACTIVITIES, (B) THE EXISTENCE OF ANY LIPPAGE (E.G., DEVIATIONS IN ELEVATION) EXISTING BOTH BEFORE AND AFTER COMPLETION OF CONSTRUCTION AND POURING OF THE FINAL LIFT OF ASPHALT ADJACENT TO AND/OR BETWEEN PAVEMENT, GUTTERS, SIDEWALKS, CURBS, MANHOLES COVERS AND/OR DRAINAGE GRATES, AND/OR (C) THE ENTRY UPON AND/OR USE OF ANY PORTION OF THE COMMUNITY THAT IS UNDER CONSTRUCTION AND/OR NOT COMPLETED. EACH OWNER, OCCUPANT AND USER ALSO HEREBY RELEASES, WAIVES, DISCHARGES AND AGREES TO INDEMNIFY AND HOLD THE DECLARANT PARTIES AND THEIR CONTRACTORS AND SUBCONTRACTORS, HARMLESS FROM ANY AND ALL LOSSES, CLAIMS, DEMANDS, SUITS, ACTIONS, CAUSES OF ACTION, LIABILITIES (INCLUDING, WITHOUT LIMITATION, PROPERTY DAMAGE, PERSONAL INJURY AND/OR DEATH), JUDGMENTS, DAMAGES (INCLUDING, WITHOUT LIMITATION, ALL SECONDARY, INCIDENTAL, CONSEQUENTIAL, SPECIAL AND/OR PUNITIVE DAMAGES), FINES, LIENS, ENCUMBRANCES, PENALTIES, COSTS AND EXPENSES OF WHATEVER

NATURE OR KIND (INCLUDING, WITHOUT LIMITATION, LEGAL FEES), RELATED TO, ARISING OUT OF AND/OR RESULTING FROM: THE AFORESAID CONSTRUCTION AND OTHER ACTIVITIES, THE USE AND/OR ENTRY UPON ANY PORTION OF THE COMMUNITY THAT IS UNDER CONSTRUCTION AND/OR NOT COMPLETED, TIMING OF INSTALLATION OF THE FINAL LIFT OF ASPHALT, AND/OR LIPPAGE (E.G., DEVIATIONS IN ELEVATION) AS DESCRIBED ABOVE IN THIS SECTION 14 THAT MAY EXIST PRIOR TO AND/OR AFTER COMPLETION OF CONSTRUCTION. THE FOREGOING RELEASE, WAIVER, DISCHARGE, INDEMNITY AND HOLD HARMLESS OBLIGATIONS EXPRESSLY INCLUDE, WITHOUT LIMITATION, THOSE RELATING TO, ARISING OUT OF, RESULTING FROM AND/OR IN ANY WAY CONNECTED WITH ACTS, OMISSIONS AND/OR NEGLIGENCE OF ANY OF SUCH INDEMNIFIED PARTIES.

ANY PURCHASE OR USE OF ANY PORTION OF THE COMMUNITY HAS BEEN AND WILL BE MADE WITH FULL KNOWLEDGE OF THE FOREGOING; AND THIS SECTION 14 IS A MATERIAL INDUCEMENT TO DECLARANT TO SELL AND CONVEY LOTS AND HOMES TO OWNERS AND TO ALLOW THE USE OF ASSOCIATION PROPERTY BY OWNERS, OCCUPANTS AND USERS.

The provisions of this Section 14 may not be amended, modified and/or removed (in whole or in part) without the prior written consent of Declarant, which consent may be withheld or delayed in Declarant's sole and absolute discretion.

SECURITY. The Association may, but shall not be obligated to, maintain or support certain activities within the Property designed to make the Property safer than it otherwise might be. Notwithstanding the foregoing, NEITHER DECLARANT NOR THE ASSOCIATION MAKES ANY REPRESENTATIONS, WARRANTIES OR GUARANTEES WHATSOEVER, EXPRESS OR IMPLIED, AS TO THE SECURITY OR SAFETY OF THE PROPERTY (OR ANY PORTION THEREOF) OR THE EFFECTIVENESS OF ANY MONITORING SYSTEM OR SECURITY SERVICE WHETHER SAME ARE PROVIDED THROUGH THE COMMUNITY SYSTEMS OR OTHERWISE. ALL OWNERS, BY ACCEPTANCE OF A DEED OR TITLE TO A LOT, AGREE TO HOLD THE ASSOCIATION (AND ITS DIRECTORS AND OFFICERS) AND THE DECLARANT PARTIES HARMLESS FROM AND AGAINST ANY AND ALL LOSSES, CLAIMS, DEMANDS. SUITS, ACTIONS, CAUSES OF ACTION, LIABILITIES (INCLUDING, WITHOUT LIMITATION, PROPERTY DAMAGE, PERSONAL INJURY AND/OR DEATH), JUDGMENTS, DAMAGES (INCLUDING, WITHOUT LIMITATION, ALL SECONDARY, INCIDENTAL, CONSEQUENTIAL, SPECIAL AND/OR PUNITIVE DAMAGES), FINES, LIENS, ENCUMBRANCES, PENALTIES, COSTS AND EXPENSES OF WHATEVER NATURE OR KIND (INCLUDING, WITHOUT LIMITATION, LEGAL FEES), RELATED TO, ARISING OUT OF AND/OR RESULTING FROM THE OCCURRENCE OF ANY CRIME OR OTHER ACT. NEITHER THE ASSOCIATION, THE DECLARANT PARTIES, NOR ANY SUCCESSOR DECLARANT SHALL IN ANY WAY BE CONSIDERED INSURERS OR GUARANTORS OF SECURITY OR SAFETY WITHIN THE PROPERTY, AND NEITHER THE ASSOCIATION, DECLARANT PARTIES NOR ANY SUCCESSOR DECLARANT GUARANTEE OR WARRANT, EXPRESSLY OR IMPLIEDLY, THE MERCHANTABILITY OR FITNESS FOR USE OF ANY SUCH MONITORING SYSTEM OR SECURITY SERVICE, OR THAT ANY SYSTEM OR SERVICE WILL PREVENT INTRUSIONS, FIRES, DAMAGE, INJURY, DEATH OR OTHER OCCURRENCES, OR THE CONSEQUENCES OF SUCH OCCURRENCES, REGARDLESS OF WHETHER OR NOT THE SYSTEM OR SERVICES ARE DESIGNED TO MONITOR SAME.

NEITHER THE ASSOCIATION (OR ITS DIRECTORS AND OFFICERS), DECLARANT PARTIES, NOR ANY SUCCESSOR DECLARANT SHALL BE HELD LIABLE FOR ANY LOSSES, CLAIMS, DEMANDS, SUITS, ACTIONS, CAUSES OF ACTION, LIABILITIES (INCLUDING, WITHOUT LIMITATION, PROPERTY DAMAGE, PERSONAL INJURY AND/OR DEATH), JUDGMENTS, DAMAGES (INCLUDING, WITHOUT LIMITATION, ALL SECONDARY, INCIDENTAL, CONSEQUENTIAL, SPECIAL AND/OR PUNITIVE DAMAGES), FINES, LIENS, ENCUMBRANCES, PENALTIES, COSTS AND EXPENSES OF WHATEVER NATURE OR KIND (INCLUDING, WITHOUT LIMITATION, LEGAL FEES), RELATED TO, ARISING OUT OF AND/OR RESULTING FROM FAILURE TO PROVIDE ADEQUATE SECURITY OR INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN, IF ANY, EVEN IF CAUSED BY THE NEGLIGENCE OF THE ASSOCIATION (ITS DIRECTORS OR OFFICERS), DECLARANT PARTIES AND/OR ANY SUCCESSOR DECLARANT. ALL MEMBERS, OWNERS AND OCCUPANTS OF ANY LOT OR HOME, AND OCCUPANTS OF ANY OWNER ACKNOWLEDGE AND AGREE THAT THE ASSOCIATION (AND ITS DIRECTORS AND OFFICERS), DECLARANT PARTIES, AND ANY SUCCESSOR DECLARANT DO NOT REPRESENT OR WARRANT THAT: (A) ANY FIRE PROTECTION SYSTEM, BURGLAR ALARM SYSTEM OR OTHER SECURITY SYSTEM (WHETHER SAME ARE PROVIDED THROUGH THE COMMUNITY SYSTEMS OR OTHERWISE), IF ANY, RECOMMENDED BY OR INSTALLED ACCORDING TO GUIDELINES ESTABLISHED BY THE ASSOCIATION, DECLARANT OR THE COMMITTEE MAY NOT BE COMPROMISED OR CIRCUMVENTED, OR (B) THAT ANY FIRE PROTECTION OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEM (WHETHER SAME ARE PROVIDED THROUGH THE COMMUNITY SYSTEMS OR OTHERWISE) WILL IN ALL CASES PROVIDE THE DETECTION OR PROTECTION FOR WHICH THE SYSTEM IS DESIGNED OR INTENDED OR PREVENT LOSSES INCLUDING, WITHOUT LIMITATION, LOSSES FROM FIRE, SMOKE, BURGLARY, THEFT, HOLD UP OR OTHERWISE.

THE ASSOCIATION (AND ITS DIRECTORS AND OFFICERS) AND THE DECLARANT PARTIES, ARE NOT EMPOWERED, AND HAVE NOT BEEN CREATED, TO: (A) ACT AS AGENCIES WHICH ENFORCE OR ENSURE THE COMPLIANCE WITH THE LAWS OF THE UNITED STATES, THE STATE OF FLORIDA, THE COUNTY AND/OR ANY OTHER GOVERNMENTAL AGENCIES, AND/OR (B) PREVENT TORTIOUS ACTIVITIES BY ANY OWNER, OCCUPANT AND/OR THIRD PARTIES. NEITHER THE ASSOCIATION (OR ITS DIRECTORS OR OFFICERS) AND/OR THE DECLARANT PARTIES SHALL BE LIABLE OR RESPONSIBLE FOR THE UNLAWFUL OR UNDESIRABLE ACTIONS, INACTIONS OR OMISSIONS OF ANY OWNER, OCCUPANT OR THIRD PARTY, AND SHALL HAVE NO OBLIGATION WHATSOEVER TO TAKE ANY AFFIRMATIVE ACTION NOT SPECIFICALLY SET FORTH IN THIS DECLARATION OR THE OTHER GOVERNING DOCUMENTS IN ORDER TO PREVENT, STOP OR ENJOIN ANY SUCH ACTIVITIES, ACTIONS, INACTIONS OR OMISSIONS BY ANY OWNER, OCCUPANT OR THIRD PARTY.

EACH MEMBER, OWNER AND OCCUPANT OF ANY LOT OR HOME FURTHER ACKNOWLEDGES, UNDERSTANDS AND AGREES THAT THE ASSOCIATION (ITS OFFICERS AND DIRECTORS), THE ARCHITECTURAL CONTROL COMMITTEE, THE DECLARANT PARTIES, AND ANY SUCCESSOR DECLARANT: (a) ARE NOT INSURERS OR GUARANTORS AND THAT EACH MEMBER, OWNER AND OCCUPANT OF ANY LOT OR HOME ASSUMES ALL RISKS FOR LOSS OR DAMAGE TO PERSONS AND PROPERTY, TO LOTS OR HOMES, AND TO THE CONTENTS OF LOTS OR HOMES; AND (b) HAVE MADE NO REPRESENTATIONS, WARRANTIES AND/OR GUARANTIES, NOR HAS ANY

MEMBER, OWNER AND/OR OCCUPANT RELIED UPON ANY REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, RELATIVE TO ANY FIRE AND/OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY OR COMMUNICATION SYSTEMS (WHETHER SAME ARE PROVIDED THROUGH THE COMMUNITY SYSTEMS OR OTHERWISE), IF ANY, OR ANY SECURITY MEASURES UNDERTAKEN WITHIN THE PROPERTY.

Section 16. COVENANT RUNNING WITH THE LAND. All provisions of this Declaration shall, to the extent applicable and unless otherwise expressly provided herein to the contrary, be construed to be covenants running with the Lots and Homes and the Property and with every part thereof and interest therein, and all of the provisions hereof shall be binding upon and inure to the benefit of Declarant and subsequent Owners of the Homes, Lots and Property or any part thereof, or interest therein, and their respective heirs, successors, and assigns. However, the same are not intended to create nor shall they be construed as creating any rights in or for the benefit of the general public, unless specifically provided herein to the contrary. All present and future Owners and Occupants of the Lots and Homes, as applicable, shall be subject to and shall comply with the provisions of this Declaration and the other Governing Documents as they exist and may from time to time be amended. The acceptance of a deed of conveyance of a Lot, or the use of any portion of the Property shall constitute an adoption and ratification by such Owner or Occupant of the provisions of this Declaration, and the Articles, Bylaws, and Rules and Regulations of the Association. In the event that any easements granted herein shall fail for want of a grantee in being or for any other purpose, the same shall constitute and be covenants running with the land.

<u>Section 17.</u> <u>NO PUBLIC RIGHT OR DEDICATION</u>. Nothing contained in this Declaration shall be deemed to be a gift or dedication of all or any portion of the Association Property to the public, or for any public use.

Section 18. NO REPRESENTATIONS OR WARRANTIES. NO REPRESENTATIONS OR WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, HAVE BEEN GIVEN OR MADE BY DECLARANT OR ITS AGENTS OR EMPLOYEES IN CONNECTION WITH ANY PORTION OF THE ASSOCIATION PROPERTY, ITS PHYSICAL CONDITION, ZONING, COMPLIANCE WITH APPLICABLE LAWS, FITNESS FOR INTENDED USE, OR IN CONNECTION WITH THE SUBDIVISION, SALE, OPERATION, MAINTENANCE, COST OF MAINTENANCE, TAXES OR REGULATION THEREOF, EXCEPT AS SPECIFICALLY AND EXPRESSLY SET FORTH IN THIS DECLARATION.

Section 19. RECLAIMED WATER. Each Owner acknowledges and agrees that reclaimed water provided by the County Water Utilities Department will be discharged into the Lakes in the Community. The water from the Lakes (including the reclaimed water) will be used for irrigation of the Association Property and each of the individual Lots within the Community. EACH OWNER FURTHER ACKNOWLEDGES AND AGREES THAT RECLAIMED WATER IS NOT POTABLE AND SHOULD NOT BE CONSUMED IN ANY MANNER. All usage and consumption fees charged by the County, if any, will be paid by the Association and included as part of the Operating Expenses of the Association.

Section 20. SURROUNDING USES. Each Owner and Occupant by acceptance of a deed or title to a Lot or other right of occupancy thereof, acknowledges and agrees that the Community lies in an area where adjacent and/or surrounding properties are, presently zoned for and/or may be used for various purposes including, without limitation: (a) agricultural uses; (b) commercial uses; (c) mixed-use uses; and (d) current and future residential developments, which may include single family homes and/or multi-family homes or condominiums. Declarant cannot and does not represent, warrant or guaranty the manner in which the surrounding properties are now or in the future will be used, or how same will affect the Community, and Declarant shall have absolutely no liability whatsoever therefor. Each Owner therefore releases and agrees to hold the Association (its directors and officers) and the Declarant Parties harmless from and against any and all of the foregoing described in this Section 20.

Section 21. PUBLIC THOROUGHFARES. It is disclosed to each Owner of a Lot in the Community that Valencia Ridge is adjacent to: (a) Chancey Road, a public right-of-way located along the southern boundary of Valencia Ridge, and (b) Two Ridges Road, a public thoroughfare located along the eastern boundary of Valencia Ridge. Chancey Road and Two Ridges Road are planned roadways which are each initially planned to contain two (2) lanes, but which could ultimately include up to four (4) lanes. Declarant does not represent, warrant or guarantee whatsoever how and to what extent traffic noise and/or the County's construction and operation of Chancey Road or Two Ridges Road will affect Valencia Ridge and/or the use and enjoyment thereof, and Declarant shall have absolutely no liability whatsoever therefor.

Each Owner, by acceptance of a deed or title to a Lot, further acknowledges and agrees (i) that the County may construct and operate a bus stop, boarding and alighting area adjacent to said Two Ridges Road, and (ii) because Chancy Road and Two Ridges Road are public roadways, utilities and other improvements (including, without limitation, overhead power lines and/or light poles) may or may not be constructed within such roadways or any adjacent utility easements.

Section 22. NATURAL CONDITIONS, WILDLIFE. The Community may contain or be located in proximity to a number of manmade, natural, and environmentally sensitive areas that may serve as habitats for a variety of native plants and wildlife, including, without limitation, insects, venomous and non-venomous snakes and other reptiles, alligators, bears and other animals, some of which may pose hazards to persons or pets coming in contact with them. Each Owner and occupant of any Lot, and every Person entering the Community: (i) acknowledges that such plants and wildlife are indigenous to the area and are not restrained or restricted in their movements within or through the Community; and (ii) knowingly and voluntarily assumes all risk of personal injury and/or death arising from the presence of such plants and wildlife within the Community. Neither the Association, Declarant (and any other Declarant Parties), any predecessor Declarant, any builder, nor the members, partners, affiliates, officers, directors, shareholders, attorneys, agents, or employees of any of the foregoing, shall have any duty to take action to control, remove, or eradicate any plant or wildlife in the Community, nor shall they have any liability for any losses, claims, demands, suits, actions, causes of action, liabilities (including,

without limitation, property damage, personal injury and/or death), judgments, damages (including, without limitation, all secondary, incidental, consequential, special and/or punitive damages), fines, liens, encumbrances, penalties, costs and expenses of whatever nature or kind (including, without limitation, Legal Fees) made by any person or persons whomsoever related to, arising out of and/or resulting from the presence, movement, or propagation of any plant or wildlife within or through the Community. The natural areas described above may also contain creeks, ponds, or intermittent pools of water, muddy areas, and underbrush, among other things, all of which are important to the ecological balance and maintenance of the area as a wildlife habitat. No Owner or occupant of a Lot shall enter upon, or permit their guests or any other person acting on their behalf to enter upon, or disturb such areas in any way without the Association's or Declarant's prior written approval. Each Owner and occupant of any Lot, and every Person entering Valencia Ridge, hereby agrees to indemnify and hold harmless the Association, Declarant (and other Declarant Parties), all predecessor Declarants, all builders, and each of their respective members, partners, affiliates, officers, directors, shareholders, attorneys, agents, and employees from and against any and all of the foregoing described in this Section 22, including, without limitation, property damage, personal injury and/or death.

<u>Section 23.</u> <u>NO PARTITION</u>. Except as is permitted in the Declaration or amendments thereto, there shall be no physical partition of the Association Property or any part thereof, nor shall any person acquiring any interest in the Property or any part thereof seek any judicial partition unless the Property has been removed from the provisions of this Declaration. This Section 23 shall not be construed to prohibit the Board from acquiring and disposing of tangible personal property nor from acquiring title to real property which may or may not be subject to this Declaration.

Section 24. VENUE. EACH OWNER ACKNOWLEDGES THIS DECLARATION IS RECORDED IN THE PUBLIC RECORDS OF THE COUNTY, DECLARANT HAS AN OFFICE IN THE COUNTY, AND EACH PARCEL IS LOCATED IN THE COUNTY. ACCORDINGLY, AN IRREBUTTABLE PRESUMPTION EXISTS THAT THE ONLY APPROPRIATE VENUE FOR THE RESOLUTION OF ANY DISPUTE LIES IN THE COUNTY. IN ADDITION TO THE FOREGOING, EACH OWNER AND DECLARANT HEREBY STIPULATES AND AGREES THAT THE VENUE FOR RESOLUTION OF ANY DISPUTE LIES IN THE COUNTY.

<u>Section 25.</u> <u>CERTAIN RESERVED RIGHTS OF DECLARANT WITH RESPECT TO COMMUNITY SYSTEMS</u>. Without limiting the generality of any other applicable provisions of this Declaration, and without such provisions limiting the generality hereof, Declarant hereby reserves and retains to itself:

- A. the title to any Community Systems and a perpetual exclusive easement over, under and across the Property for the placement and location thereof;
- B. the right to connect, from time to time, the Community Systems to such receiving or intermediary transmission sources as Declarant may in its sole and absolute discretion deem appropriate, in locations on the Property as Declarant may determine in its sole and absolute discretion, including, without limitation, companies licensed to provide CATV or satellite services in the County, for which services Declarant shall have the right to charge any users a fee (which shall not exceed any maximum allowable charge provided for by Law);

- C. the continuing right to air conditioned space within and/or on the Association Property as Declarant may determine in its sole and absolute discretion to install, operate, maintain, repair and replace the equipment serving, providing or running the Community Systems, which location may include, without limitation, rooms within any clubhouse or other Improvements constructed on the Association Property; and
- D. the exclusive right to offer and provide from time to time to the Association, the Lots and the Lot Owners, any and all Bundled Services through the Community Systems.

Neither the Association nor any officer, director, employee, committee member or agent thereof (including any management company) shall be liable for any damage to property, personal injury or death arising from or connected with any act or omission of any of the foregoing during the course of performing any duty or exercising any right or privilege (including, without limitation, performing maintenance work which is the duty of the Association or exercising any remedial maintenance or alteration rights under this Declaration) required or authorized to be done by the Association, or any of the other aforesaid parties, under this Declaration or otherwise as required or permitted by Law.

USE OF NAME AND SERVICE AND TRADEMARKS. No person other than Declarant and any licensee thereof shall use the name "Valencia" (either by itself or as "Valencia Ridge"), any derivation thereof, and/or any service mark, trademark or copyrighted material associated therewith in the name or promotion of any business venture, any organization in marketing materials (including, without limitation, social media and other on-line uses) or any other activities, whether for profit or otherwise, and whether within or outside of the Community, in all such cases without first obtaining from Declarant a written license to do so, which license may be granted or withheld in Declarant's sole and absolute discretion. In addition, the Association does not acquire any rights whatsoever in and to the names "Valencia", "Valencia Ridge" and/or any derivation thereof, and may not use such names without the prior written consent of Declarant, which consent may be withheld in Declarant's sole and absolute discretion. However, the Association shall have the continuing limited right to identify the Community as "Valencia Ridge" including, without limitation, the installation and maintenance of signs in the Community identifying it as "Valencia Ridge." Any violation hereof shall entitle Declarant to revoke the Association's right to use the name "Valencia Ridge", as well as to all remedies (including injunctive relief) available under all state and federal intellectual property Laws, to the extent applicable, and those set forth in this Declaration. The provisions of this Section 26 may not be amended, modified and/or removed without Declarant's prior written consent, which consent may be withheld or delayed in Declarant's sole and absolute discretion.

<u>Section 27.</u> <u>CONSENT AND RELEASE FOR USE OF LIKENESS</u>. Each Owner, by reason of having acquired ownership of a Lot (whether by purchase, gift, operation of law or otherwise), each Occupant of a Home (by reason of such Occupant's occupancy, use and/or participation in or attendance at any event of the Association and/or use of Association Property), and each User

(by reason of such User's use and/or participation in or attendance at any event of the Association and/or use of Association Property)) hereby, without any prior or subsequent consent: (a) agrees to photographs and/or video (including audio) being taken of such persons: (i) during any use and/or enjoyment of Association Property, and/or (ii) participation in any and all activities sponsored, promoted or set up by or through the Declarant and/or the Association and whether or not such activities take place on the Association Property or elsewhere, and (b) permits such photographs and/or video (including audio) to be used by the Association, Declarant and/or Declarant's affiliates in advertising and marketing materials and/or media publications, and for any other lawful purposes necessary or desirable by the Association, Declarant and/or Declarant's affiliates, and (c) waives any right to inspect, approve or receive any compensation for such person's photographs or videos (including audio) and/or use of such person's likeness, including, without limitation, in any and all such advertising and marketing materials and/or media publications. The provisions of this Section 27 may not be amended, modified and/or removed without Declarant's prior written consent, which consent may be withheld or delayed in Declarant's sole and absolute discretion.

Section 28. ASSOCIATION AND DECLARANT AS ATTORNEY-IN-FACT. Each Owner, by reason of having acquired ownership of a Lot, whether by purchase, gift, operation of law or otherwise, and each Occupant of a Home, by reason of such Occupant's occupancy, is hereby declared to have acknowledged, agreed and consented to any rezoning, replatting, covenant in lieu of unity of title, change, addition or deletion made in, on or to the Community by Declarant (collectively, the "Modifications") and, in respect thereto, each Owner of a Lot and Occupant of a Home hereby designates the Association to act as agent and attorney in fact on behalf of such Owner or Occupant to consent to any such Modification. If requested by Declarant, each Owner shall evidence such Owner's consent to a Modification in writing (provided, however, that any refusal to give such written consent shall not obviate the automatic effect of this provision). Further, each Owner, by reason of having acquired ownership of a Lot, hereby agrees to execute, at the request of Declarant, any document and/or consent which may be required by any Governmental Authority to allow Declarant and/or its affiliates to complete the plan of development of the Community, as such plan may be hereafter amended and/or modified, and each such Owner hereby further appoints Declarant as such Owner's agent and attorney-in-fact to execute, on behalf and in the name of each such Owner, any and all of such documents and/or consents. This power of attorney is irrevocable and is coupled with an interest.

The Association covenants and agrees, for itself or in a representative capacity on behalf of all Owners and Occupants, not to challenge or object to (directly or indirectly) any Modifications or other governmental permits and approvals whatsoever (including, without limitation, comprehensive plan changes, land use changes, rezoning requests, development order amendments and/or modifications, and/or other development-related requests) sought or to be sought in the future by Declarant or Declarant's affiliates (collectively, the "Approval Matters"). Approval Matters may include, without limitation, development order amendments and/or modifications to add additional property to the development order for the Community (the "Community DO") and/or to withdraw portions of the Property from such Community DO. Accordingly, the Board shall not have any power or authority to spend any funds whatsoever of

the Association or to assess the Owners for any fees, costs or expenses to challenge or object to any Approval Matters. Notwithstanding the foregoing, to the extent any Approval Matters obtained by Declarant or Declarant's affiliates requires: (i) the construction of any improvements, and/or (ii) dedications of or payment in lieu of providing public civic sites, that are not required pursuant to the Community DO (as same exists as of the Turnover Date), the Association shall have no obligation to pay or contribute to the fees, costs and/or expenses to design or construct any such additional improvements.

The provisions of this Section 28 may not be amended, modified and/or removed without Declarant's prior written consent, which consent may be withheld or delayed in Declarant's sole and absolute discretion.

Section 29. DECLARANT'S RESERVATION OF RIGHTS. Notwithstanding anything contained in the Governing Documents to the contrary, Declarant reserves the right to change the zoning and/or land use of any portion of the Property now existing or hereafter changed to be other than single-family residential (e.g., multi-family residential or commercial) and/or to make such uses of all or any part of the Property as shall be permitted by applicable zoning regulations as they may exist from time to time. Declarant, however, is not obligated by this Declaration to cause any portion of the Property to be rezoned or developed for any such uses. In the event Declarant changes the zoning of the Property, Declarant hereby reserves the right to amend this Declaration or to create one or more sub-declarations subjecting such properties to additional or different specified or prohibited uses.

Additionally, in the event Declarant changes the zoning of the Property or any portion thereof to a use other than single-family residential and amends the Governing Documents or creates a sub-declaration, in order to ensure representation on the Board for various groups having dissimilar interests, Declarant reserves the right to establish voting groups for election of directors to the Board. In such event, each voting group shall be entitled to elect one (1) or more directors to the Board. Each voting group may have different voting rights as determined by Declarant.

In the event Declarant establishes other uses of or for the Property as aforesaid, Declarant reserves the right to change the method pursuant to which Assessments are shared among the Lots and other portions of the Property. The expenses may be divided among each type of property use (e.g., single-family residential, multi-family residential and commercial) based upon, but not necessarily proportional to, the percentage of each type of property use, the level of services received by each type of property use and other relevant factors as determined by Declarant. Additionally, expenses which specifically relate to a specific property use will only be assessed against that type of property. The percentages for each type of property will be based upon the total acreage of the Property.

The provisions of this Section 29 may not be amended, modified and/or removed without Declarant's prior written consent, which consent may be withheld or delayed in Declarant's sole and absolute discretion.

IN WITNESS WHEREOF, this Declaration has been signed by Declarant and joined in by the Association on the respective dates set forth below.

DECLARANT:

PASCO COUNTY ASSOCIATES I, LLLP, a Florida limited liability limited partnership

By: Pasco County I Corporation, a Florida corporation, its general partner

	corporation, its general partner
WITNESSES AS TO DECLARANT:	, , ,
h mc	By:
Signature Print Name_COlleen_M.Colhm	Richard M. Norwalk, Vice President
Address: 1600 Savgrass Copposit Po Svik 400, Sunse Pul 333 23	*Kury
	[CORPORATE SEAL]
Vanessamount	
Signature	
Print Name Vanes Sa Hount	_
Address: 1600 Sawgrace Corp Pu Sunvisa FL 33323	24 #4cD
·	
STATE OF FLORIDA)	
COUNTY OF BROWARD)	
The foregoing instrument was acknowledge.	owledged before me by means of 🗹 physical presence
• -	April, 2024, by Richard M. Norwalk, as Vice President
of Pasco County I Corporation, a Florida	corporation, the general partner of PASCO COUNTY
	ity limited partnership, on behalf of said corporation
and limited liability limited partnership. He	is personally known to me.
	CM
	Notary Public, State of Florida at Large
	Colleen M. Colth
My Commission Expires:	Typed, Printed or Stamped Name of Notary Public
Notary Public State of Florida	
Notary Public State of Florida	

ASSOCIATION:

VALENCIA RIDGE HOMEOWNERS ASSOCIATION, INC., a Florida not for profit corporation

WITNESSES AS TO ASSOCIATION:	
Du la	By: Stephanie Odtheron
Signature	Name: Stephanie Patterson
Print Name TIM Nelson	_ Title: President
Address 7705 32212 Mal Wesley Ch	gogany Valley Dr apel, FL 33543
Deborah Coyle	[CORPORATE SEAL]
Signature	
Print Name Deborah Coyle	
Address: 322/2 Markogo Wesley Chapter 335	eny Valley De 343
STATE OF FLORIDA) COUNTY OF PASCO)	
The foregoing instrument was ackno	wledged before me by means of ☑ physical presence
or \square online notarization, this $\underline{15}$ day of	April, 2024, by Stephanie Patterson, as President of FION, INC., a Florida not for profit corporation, on
	Notary Public, State of Florida at Large
My Commission Expires:	Typed, Printed or Stamped Name of Notary Public
	Notary Public State of Florida Chloe Michele Crooks My Commission HH 207779 Exp.12/14/2025

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

A parcel of land lying in Sections 14 and 23, Township 26 South, Range 20 East, Pasco County, Florida, being more particularly described as follows:

BEGIN at the Northwest corner of WINDING RIDGE PHASES 1 & 2, according to the plat thereof, as recorded in Plat Book 83, Pages 23 through 46, inclusive, as affected by that certain Surveyor's Affidavit Correcting Plat, recorded in Official Records Book 10558, Page 732, both of the Public Records of Pasco County, Florida, also being a point on the Easterly boundary of FOX BRIDGE -PLAT I, according to the plat thereof, as recorded in Plat Book 15, Pages 118 through 128, inclusive, of the Public Records of Pasco County, Florida, run thence along said Easterly boundary of FOX BRIDGE - PLAT I, the following two (2) courses: 1) N.00°02'00"E., 2591.87 feet; 2) N.00°21'41"E., 3064.38 feet to the Southwest corner of the parcel of land conveyed by that certain Special Warranty Deed, recorded in Official Records Book 9859, Page 2414, of the Public Records of Pasco County, Florida; thence along the Southerly boundary of said parcel of land, S.89°37'52"E., 956.75 feet to the Northernmost corner of PARCEL 120, according to that certain Order of Taking, recorded in Official Records Book 9268, Page 2398, of the Public Records of Pasco County, Florida; thence along the Northwesterly, Southwesterly and Southeasterly boundary of said PARCEL 120, in their respective order, the following seven (7) courses: 1) S.48°23'55"W., 376.00 feet; 2) S.29°56'54"W., 116.95 feet; 3) S.57°44'44"E., 195.01 feet; 4) S.21°21'56"E., 48.84 feet; 5) N.77°43'31"E., 40.51 feet; 6) N.21°21'56"W., 123.72 feet; 7) N.68°38'04"E., 503.30 feet to the Easternmost corner thereof, also being a point on the aforesaid Southerly boundary of the parcel of land conveyed by Special Warranty Deed; thence along said Southerly boundary, the following two (2) courses: 1) S.57°44'44"E., 311.52 feet to a point of curvature; 2) Southeasterly, 80.42 feet along the arc of a curve to the left having a radius of 500.00 feet and a central angle of 09°12'57" (chord bearing S.62°21'12"E., 80.34 feet); thence S.06°06'10"W., 44.63 feet to a point of curvature; thence Southeasterly, 179.33 feet along the arc of a curve to the left having a radius of 119.00 feet and a central angle of 86°20'40" (chord bearing S.37°04'10"E., 162.84 feet) to a point of tangency; thence S.80°14'30"E., 23.23 feet to a point on a curve; thence Northerly, 134.42 feet along the arc of a curve to the right having a radius of 1071.00 feet and a central angle of 07°11'28" (chord bearing N.11°38'09"E., 134.33 feet) to a point of tangency; thence N.15°13'53"E., 9.62 feet to a point on a curve on the aforesaid Southerly boundary of the parcel of land conveyed by Special Warranty Deed; thence along said Southerly boundary, Easterly, 4.90 feet along the arc of a curve to the left having a radius of 500.00 feet and a central angle of 00°33'41" (chord bearing S.84°34'13"E., 4.90 feet) to the Southeast corner thereof; thence along the Easterly boundary of said parcel of land conveyed by Special Warranty Deed, Northeasterly, 279.31 feet along the arc of a curve to the right having a radius of 1079.40 feet and a central angle of 14°49'35" (chord bearing N.23°13'07"E., 278.53 feet) to a point on the Southerly boundary of the right-of-way for STATE ROAD 54, according to that certain Warranty Deed, recorded in Official Records Book 10650, Page 2748, of the Public Records of Pasco County, Florida; thence along said Southerly boundary of the right-of-way for STATE ROAD 54, S.57°44'44"E., 160.79 feet to a point on the Westerly boundary of ASHTON OAKS SUBDIVISION PHASE 1, according to the plat thereof, as recorded in Plat Book 62, Pages 47 through 56, inclusive, of the Public Records of Pasco County, Florida; thence along said Westerly boundary of ASHTON OAKS SUBDIVISION PHASE 1 and the Westerly boundary of ASHTON OAKS SUBDIVISION PHASE 2, according to the plat thereof, as recorded in Plat Book 63, Pages 100 through 109, inclusive, of the Public Records of Pasco County, Florida, and the Southerly prolongation thereof, S.12°02'59"E., 5831.67 feet to the Northeast corner of the right-of-way for TWO RIDGES ROAD, according to the aforesaid Surveyor's Affidavit Correcting Plat, also being a point on the Northerly boundary of the aforesaid WINDING RIDGE PHASES 1 & 2; thence along said Northerly boundary of WINDING RIDGE PHASES 1 & 2, the following five (5) courses: 1) S.83°56'41"W., 984.40 feet to a point of curvature; 2) Westerly, 797.80 feet along the arc of a curve to the right having a radius of 1500.00 feet and a central angle of 30°28'26" (chord bearing N.80°49'06"W., 788.43 feet) to a point of tangency; 3) N.65°34'53"W., 355.88 feet to a point of curvature; 4) Westerly, 693.70 feet along the arc of a curve to the left having a radius of 1642.00 feet and a central angle of 24°12'21" (chord bearing N.77°41'04"W., 688.55 feet) to a point of tangency; 5) N.89°47'14"W., 478.58 feet to the **POINT OF BEGINNING**.

LESS AND EXCEPT that certain property constituting the future right-of-way for Two Ridges Road more particularly described as follows:

A parcel of land lying in Sections 14 and 23, Township 26 South, Range 20 East, Pasco County, Florida, being more particularly described as follows:

COMMENCE at the Northeast corner of TRACT R-4, WINDING RIDGE PHASES 1 & 2, according to the plat thereof, as recorded in Plat Book 83, Pages 23 through 46, inclusive, as affected by that certain Surveyor's Affidavit Correcting Plat, recorded in Official Records Book 10558, Page 732, both of the Public Records of Pasco County, Florida, for a POINT OF BEGINNING, said point also being the Northeast corner of the right-of-way for TWO RIDGES ROAD, according to said Surveyor's Affidavit Correcting Plat, run thence along the Northerly boundary of said TRACT R-4, S.83°56'41"W., 142.78 feet; thence N.12°02'59"W., 3936.13 feet; thence Northwesterly, 866.61 feet along the arc of a tangent curve to the left having a radius of 2125.00 feet and a central angle of 23°21'58" (chord bearing N.23°43'58"W., 860.61 feet); thence Northerly, 946.72 feet along the arc of a reverse curve to the right having a radius of 1071.00 feet and a central angle of 50°38'50" (chord bearing N.10°05'32"W., 916.20 feet); thence N.15°13'53"E., 9.62 feet to a point on a curve on the Southerly boundary of the parcel of land conveyed by that certain Special Warranty Deed, recorded in Official Records Book 9859, Page 2414, of the Public Records of Pasco County, Florida; thence along said Southerly boundary, Easterly, 4.90 feet along the arc of a curve to the left having a radius of 500.00 feet and a central angle of 00°33'41" (chord bearing S.84°34'13"E., 4.90 feet) to the Southeast corner thereof; thence along the Easterly boundary of said parcel of land conveyed by Special Warranty Deed, Northeasterly, 279.31 feet along the arc of a curve to the right having a radius of 1079.40 feet and a central angle of 14°49'35" (chord bearing N.23°13'07"E., 278.53 feet) to a point on the Southerly boundary of the right-of-way for STATE ROAD 54, according to that certain Warranty Deed, recorded in Official Records Book 10650, Page 2748, of the Public Records of Pasco County, Florida; thence along said Southerly boundary of the right-of-way for STATE ROAD 54, S.57°44'44"E., 102.98 feet; thence departing said Southerly boundary of the right-of-way for STATE ROAD 54, S.15°13'53"W., 256.14 feet to a point of curvature; thence Southerly, 821.20 feet along the arc of a curve to the left having a radius of 929.00 feet and a central angle of 50°38'50" (chord bearing S.10°05'32"E., 794.72 feet) to a point of reverse curvature; thence Southeasterly, 924.52 feet along the arc of a curve to the right having a radius of 2267.00 feet and a central angle of 23°21'58" (chord bearing S.23°43'58"E., 918.12 feet) to a point of tangency; thence S.12°02'59"E., 3951.04 feet to the **POINT OF BEGINNING**.

NOTE: The above-described Two Ridges Road right-of-way is intended to be platted as Tracts "R-1A" and "R-1B" of VALENCIA RIDGE PHASE 1, according to the plat thereof, to be recorded in the Public Records of Pasco County, Florida.

EXHIBIT "B"

ARTICLES OF INCORPORATION OF VALENCIA RIDGE HOMEOWNERS ASSOCIATION, INC.

[See Attached 18 Pages]



Department of State

I certify the attached is a true and correct copy of the Articles of Amendment, filed on February 1, 2024, to Articles of Incorporation for VALENCIA RIDGE HOMEOWNERS ASSOCIATION, INC., a Florida corporation, as shown by the records of this office.

I further certify the document was electronically received under FAX audit number H24000044220. This certificate is issued in accordance with section 15.16, Florida Statutes, and authenticated by the code noted below

The document number of this corporation is N22000010403.

Authentication Code: 324A00002282-020124-N22000010403-1/1



Given under my hand and the Great Seal of the State of Florida, at Tallahassee, the Capital, this the First day of February, 2024

Secretary of State

SECOND AMENDMENT TO ARTICLES OF INCORPORATION OF

VALENCIA RIDGE HOMEOWNERS ASSOCIATION, INC.,

(a Florida Not For Profit Corporation)

The undersigned, as the "Declarant" named in the Articles of Incorporation of VALENCIA RIDGE HOMEOWNERS ASSOCIATION, INC., a Florida not for profit corporation filed with the Department of State of the State of Florida on September 8, 2022, as Document No. N22000010403 (the "Articles of Incorporation"), as amended from time to time (the "Articles"), pursuant to Chapter 617.1006 and Chapter 720, Florida Statutes, and the provisions of Article XIII of the Articles do hereby amend the Articles as follows:

(new language shown by <u>underline</u>, deleted language shown by strikeout, "* * *" shows unaffected language)

- 1. Section C.4 of Article IV of the Articles is hereby amended as follows:
- 4. To own, administer, operate, maintain, finance, repair, replace, manage, lease and convey the Association Property or any other real or personal property in accordance with the Governing Documents.
 - Article VIII of the Articles is hereby amended as follows:

ARTICLE VIII BOARD OF DIRECTORS

* * *

B. The names and addresses of the persons who are to serve as Directors on the First Board are as follows:

NAMES

ADDRESSES

Marisa Lufkin Stephanie Patterson

1600 Sawgrass Corporate Parkway, Suite 400 Sunrise, Florida 33323

* * *

C. In accordance with Section 720.307(2) of the HOA Act, the Members other than Declarant ("Purchaser Members") shall be entitled to elect one member of the Board after fifty percent (50%) of all the Lots in the Community to be constructed with a Home thereon (the "Total Developed Lots") have been conveyed to Members. The election of such one (1) Purchaser Member to the Board shall occur at the annual meeting or special meeting of the Members following such conveyance.

* * *

E. The Initial Election Meeting shall be called by the Association, through the Board, within sixty (60) days after prior to the Turnover Date. A notice of meeting shall be forwarded to all Members in accordance with the Bylaws; provided, however, that the Members shall be given at least fourteen (14) days prior notice of such meeting. The notice shall also specify the number of Directors which shall be elected by the Members (other than Declarant) and the remaining number of Directors to be designated by Declarant.

3. Article X of the Articles is hereby amended as follows:

ARTICLE X FIRST OFFICERS

The names of the officers who are to serve until the first election of officers by the Board are as follows:

President

Marisa Lufkin Stephanie Patterson

* * *

4. Pursuant to the provisions of Article XIII of the Articles, prior to the First Conveyance (as defined in the Articles) the Declarant may amend the Articles without the vote of the members or the Board of Directors. As of the date of this Second Amendment, the First Conveyance has not occurred.

IN WITNESS WHEREOF, this Second Amendment to Articles of Incorporation has been executed and is adopted as of the 1st day of February, 2024.

Pasco County Associates I, LLLP, a Florida limited liability limited partnership

By: Pasco County I Corporation, a Florida corporation, its general partner

By: 1 Cheffee

[CORPORATE SEAL]

From: anonymous Page: 2/3 Date: 9/21/2023 7:31:32 AM



Department of State

I certify the attached is a true and correct copy of the Articles of Amendment, filed on September 20, 2023, to Articles of Incorporation for STERLING RIDGE HOMEOWNERS ASSOCIATION, INC. which changed its name to VALENCIA RIDGE HOMEOWNERS ASSOCIATION, INC., a Florida corporation, as shown by the records of this office.

I further certify the document was electronically received under FAX audit number H23000331654. This certificate is issued in accordance with section 15.16, Florida Statutes, and authenticated by the code noted below

The document number of this corporation is N22000010403.

Authentication Code: 823A00021816-092023-N22000010403-1/1



Given under my hand and the Great Seal of the State of Florida, at Tallahassee, the Capital, this the Twentieth day of September, 2023

Secretary of State

AMENDMENT TO ARTICLES OF INCORPORATION OF

STERLING RIDGE HOMEOWNERS ASSOCIATION, INC.

(a Florida Corporation Not-For-Profit)

The undersigned, as the "Declarant" named in the Articles of Incorporation of STERLING RIDGE HOMEOWNERS ASSOCIATION, INC., a Florida corporation not-for-profit filed with the Department of State of the State of Florida on September 8, 2022, as Document No. N22000010403 (the "Articles of Incorporation"), pursuant to Chapter 617.1006 and Chapter 720, Florida Statutes, and the provisions of Article XIII of the Articles of Incorporation do hereby amend the Articles of Incorporation as follows:

- 1. Section 2 of Article I of the Articles is hereby deleted and replaced in its entirety as follows:
 - "Association" shall mean Valencia Ridge Homeowners Association, Inc., a Florida corporation not for profit. Association is NOT a condominium association and is not intended to be governed by Chapter 718, Florida Statutes (the Florida Condominium Act).
- 2. Article II of the Articles is hereby deleted and replaced in its entirety as follows:

ARTICLE II NAME; PRINCIPAL ADDRESS

The name of the corporation shall be VALENCIA RIDGE HOMEOWNERS ASSOCIATION, INC., a Florida not-for-profit corporation, whose principal address and mailing address is 1600 Sawgrass Corporate Parkway, Suite 400, Sunrise, Florida 33323, or at such other place as may be designated, from time to time, by the Board of Directors.

3. All references in the Articles to "Sterling Ridge" are hereby amended to read "Valencia Ridge."

Pursuant to the provisions of Article XIII of the Articles of Incorporation, prior to the First Conveyance (as defined in the Articles of Incorporation) the Declarant may amend the Articles of Incorporation without the vote of the members or the Board of Directors. As of the date of this Amendment, the First Conveyance has not occurred.

IN WITNESS WHEREOF, this Amendment to Articles of Incorporation has been executed and is adopted as of the 20^{th} day of September, 2023.

WITNESSES:

Pasco County Associates I, LLLP, a Florida limited liability limited partnership

By: Pasco County I Corporation, a Florida corporation, its general partner

Steven M. Helfman, Vice President

[CORPORATE SEAL]

(((H23000331654 3)))



Department of State

I certify the attached is a true and correct copy of the Articles of Incorporation of STERLING RIDGE HOMEOWNERS ASSOCIATION, INC., a Florida corporation, filed on September 8, 2022, as shown by the records of this office.

I further certify the document was electronically received under FAX audit number H22000310867. This certificate is issued in accordance with section 15.16, Florida Statutes, and authenticated by the code noted below

The document number of this corporation is N22000010403.

Authentication Code: 222A00020150-091022-N22000010403-1/1



Given under my hand and the Great Seal of the State of Florida, at Tallahassee, the Capital, this the Tenth day of September, 2022

ARTICLES OF INCORPORATION

OF

STERLING RIDGE HOMEOWNERS ASSOCIATION, INC. (a Florida Corporation Not-For-Profit)

In order to form a corporation not for profit under and in accordance with the provisions of Chapters 617 and 720 of the Florida Statutes, the undersigned hereby incorporates this corporation not for profit for the purposes and with the powers hereinafter set forth and, to that end, the undersigned, by these Articles of Incorporation, certifies as follows:

ARTICLE I DEFINITIONS

The following words and phrases when used in these Articles of Incorporation (unless the context clearly reflects another meaning) shall have the following meanings:

- 1. "Articles" shall mean and refer to these Articles of Incorporation and any amendments hereto.
- 2. "Association" shall mean and refer to Sterling Ridge Homeowners Association, Inc., a Florida corporation not for profit. Association is NOT a condominium association and is not intended to be governed by Chapter 718, Florida Statutes (the Florida Condominium Act).
- 3. "Board" or "Board of Directors" shall mean and refer to the Board of Directors of the Association.
- 4. "Bylaws" shall mean and refer to the Bylaws of the Association and any amendments thereto.
 - 5. "County" shall mean and refer to Pasco County, Florida.
- 6. "Declaration" shall mean and refer to the Declaration of Covenants, Restrictions and Easements for Sterling Ridge, recorded (or to be recorded) in the Public Records of the County, as amended and/or supplemented from time to time.
 - 7. "Director" shall mean and refer to a member of the Board.
- 8. "HOA Act" shall mean the Florida Homeowners' Association Act, Chapter 720, Florida Statutes, and (unless the context otherwise requires) the Florida Not For Profit Corporation Act, Chapter 617, Florida Statutes, each in effect and as same exists on the Effective Date and notwithstanding any subsequent amendment, restatement and/or recodification thereof (or any portion thereof) from time to time.
 - 9. "Member" shall mean and refer to a member of the Association.
- 10. "Governing Documents" shall mean and refer, in the aggregate, to the Declaration, these Articles, the Bylaws, the Rules and Regulations of the Association, the Plat, the Additional Plat, if any, and

all of the instruments and documents referred to in such documents, all as may be amended and/or supplemented from time to time.

All initial capitalized terms used in these Articles but not defined herein shall have the meanings given to such terms in the Declaration, which are incorporated herein by this reference.

ARTICLE II NAME; PRINCIPAL ADDRESS

The name of the corporation shall be STERLING RIDGE HOMEOWNERS ASSOCIATION, INC., a Florida corporation not-for-profit, whose principal address and mailing address is 1600 Sawgrass Corporate Parkway, Suite 400, Sunrise, Florida 33323, or at such other place as may be designated, from time to time, by the Board of Directors.

ARTICLE III PURPOSES

The purposes for which the Association is organized are: (i) to take title to, administer, operate, maintain, finance, repair, replace, manage and lease the Association Property (including the Drainage System) in accordance with the terms of, and purposes set forth in, the Governing Documents, and (ii) to carry out and perform the Association's duties and obligations under the Governing Documents (including enforcing the provisions thereof). The Association is not organized for profit and no part of the net earnings, if any, shall inure to the benefit of any Member, Owner or other individual person, firm or entity.

ARTICLE IV POWERS

Without limiting the generality of the foregoing, the Association shall have the following powers and shall be governed by the following provisions:

- A. The Association shall have all of the common law and statutory powers of a corporation not for profit which are not in conflict with the Governing Documents of the HOA Act.
- B. The Association shall have all of the powers granted to the Association in the Governing Documents. All of the provisions of the Declaration and Bylaws which grant powers to the Association are incorporated into these Articles.
- C. The Association shall have all of the powers reasonably necessary to implement the purposes of the Association, including, but not limited to, the following:
- 1. To perform any act required or contemplated by it under the Governing Documents.
- 2. To make, establish, amend, abolish (in whole or in part) and enforce reasonable rules and regulations governing the use of the Association Property.
- 3. To make, levy and collect Assessments for the purpose of obtaining funds from its Members to pay Operating Expenses and other costs defined in the Declaration and costs of collection,

and to use and expend the proceeds of Assessments in the exercise of the powers and duties of the Association.

- 4. To own, administer, operate, maintain, finance, repair, replace, manage, lease and convey the Association Property in accordance with the Governing Documents.
- 5. To enforce, including by legal means if necessary, the obligations of the Members and the provisions of the Governing Documents and the HOA Act.
- 6. To employ personnel, retain independent contractors and professional personnel, and enter into service contracts to provide for the administration, operation, maintenance, financing, repairing, replacing, management and leasing of the Association Property and to enter into any other agreements consistent with the purposes of the Association, including, but not limited to, agreements with respect to professional management of the Association Property and to delegate to such professional manager certain powers and duties of the Association. Prior to the Turnover Date (as hereinafter defined), the President of the Board shall have the inherent authority to enter into contracts and agreements on behalf of the Association without a meeting of the Directors, so long as the monetary amounts to be paid by the Association pursuant to the contracts and agreements do not exceed the amounts therefor as set forth in the then-adopted operating Budget of the Association, as amended from time to time.
- 7. To purchase insurance upon the Association Property and insurance for the protection of the Association, its directors, officers, Members and members of the Architectural Control Committee, all as provided in the Governing Documents.
- 8. To operate, maintain, and manage the Drainage System in a manner consistent with the requirements of the Water Management District Permit and applicable rules and requirements of the Water Management District; to assist in the enforcement of the Declaration's provisions relating to the Drainage System; and to levy and collect adequate assessments against Owners for the costs of maintenance and operation of the Drainage System.
- 9. To enter into the Declaration and any amendments thereto and instruments referred to therein.
- 10. To assign and/or delegate any right, duty or obligation of the Association as it deems necessary including, without limitation, assignments and delegations to a management company and/or other entities or persons.
- 11. To provide, to the extent deemed necessary by the Board, any and all services and do any and all things which are incidental to or in furtherance of things listed above or to carry out the Association mandate to keep and maintain the Community in a proper and aesthetically pleasing condition and to provide the Owners with services, amenities, controls, rules and regulations, and enforcement which will enhance the quality of life in the Community.
- 12. To borrow money and to obtain such financing as is necessary to maintain, repair and replace the Association Property in accordance with the Declaration and, as security for any such loan,

to collaterally assign the Association's right to collect and enforce Assessments levied for the purpose of repaying any such loan and to provide such other collateral as may be necessary to obtain such financing.

13. Notwithstanding anything to the contrary, there are hereby excluded from the powers and authority of the Association the right or ability, in its own name or on behalf of some or all Owners, to take action against, to object to and/or refuse to consent to, any rezoning, replatting, covenant in lieu of unity of title, change, addition or deletion made in, on or to the Community (including, without limitation, comprehensive plan changes, land use changes, rezoning requests, development orders and approvals, construction plans or permitting and/or other matters relating to the development or redevelopment of any property in the Community), regardless of its proximity to the Community or its actual or estimated impact thereon. This provision shall likewise prohibit the Association from paying, providing or contributing any funds to any business entity, organization or person for the aforesaid purposes. The provisions of this Section 13 may not be amended or revoked (in whole or in part) without the prior written consent of Declarant, which consent may be withheld or delayed in Declarant's sole and absolute discretion.

The powers of the Association shall be subject to and exercised in accordance with the provisions of these Articles, any other Governing Documents and the HOA Act provided, however, that in the event of a conflict, the provisions of the HOA Act shall control over these Articles and any other Governing Documents.

ARTICLE V MEMBERS AND VOTING

The qualification of Members of the Association, the manner of their admission to membership, the manner of the termination of such membership and the manner of voting by Members shall be as follows:

- A. Until such time as the first deed of conveyance of a Lot from Declarant to an Owner is recorded amongst the Public Records of the County (the "First Conveyance") the membership of the Association shall be comprised solely of the Declarant. In that regard, until the First Conveyance, Declarant shall be entitled to cast the one (1) and only vote on all matters requiring a vote of the membership.
- B. After the First Conveyance, Declarant shall be a Member as to each of the remaining Lots until each such Lot is conveyed to another Owner, and thereupon and thereafter each and every Owner, including Declarant as to Lots owned by Declarant, shall be a Member and exercise all of the rights and privileges of a Member in accordance with (but at all times subject to) the Governing Documents.
- C. Membership in the Association for Owners other than Declarant shall be established by the acquisition of ownership of fee simple title to a Lot as evidenced by the recording of an instrument of conveyance amongst the Public Records of the County. Where title to a Lot is acquired by conveyance from a party other than Declarant by means of sale, gift, inheritance, devise, bequest, judicial decree or otherwise, the person, persons or entity thereby acquiring such Lot shall not be a Member unless or until such Owner shall deliver a true copy of a deed or other instrument of acquisition of title to the Association.
 - D. The Association shall have two (2) classes of voting membership:
- 1. "Class A Members" shall be all Members, with the exception of Declarant while Declarant is a Class B Member, each of whom shall be entitled to one (1) vote for each Lot owned.

- 2. "Class B Members" shall be Declarant, who shall be entitled to three times the total number of votes of the Class A Members plus one. Class B membership shall cease and be converted to Class A membership upon the earlier to occur of the following events ("Turnover Date"):
- (i) Three (3) months after the conveyance of ninety percent (90%) of the "Total Developed Lots" (as defined in Article VIII.C. hereof) by Declarant, as evidenced by the recording of instruments of conveyance of such Lots amongst the Public Records of the County;
- (ii) At such earlier time as Declarant shall designate in writing to the Association; or
- (iii) On such other date as a majority of the Board is elected by the Class A Members as required by the HOA Act.

On the Turnover Date, the Class A Members other than Declarant shall be entitled to elect at least a majority of the Board. After the Turnover Date, Declarant may exercise the right to vote as a Class A Member in the same manner as any other Class A Member except for purposes of reacquiring control of the Association or selecting a majority of the members of the Board.

- E. The designation of different classes of membership are for the purposes of establishing the number of votes applicable to certain Lots, and nothing herein shall be deemed to require voting solely by an individual class on any matter which requires the vote of Members, unless otherwise specifically set forth in the Governing Documents.
- F. No Member may assign, hypothecate or transfer in any manner such Member's membership in the Association except as an appurtenance to such Member's Lot.
- G. Any Member who conveys or loses title to a Lot by sale, gift, inheritance, devise, bequest, judicial decree or otherwise shall, immediately upon such conveyance or loss of title, no longer be a Member with respect to such Lot and shall lose all rights and privileges of a Member resulting from ownership of such Lot, but such party shall remain jointly and severally liable, together with the new Member owning the Lot, for all outstanding obligations (including monies owed) to the Association.
- H. There shall be only one (1) vote for each Lot, except for the Class B Members as set forth herein. If there is more than one Member with respect to a Lot as a result of the fee interest in such Lot being held by more than one person, such Members collectively shall be entitled to only one (1) vote. The vote of the Owners of a Lot owned by more than one natural person or by a corporation or other legal entity shall be cast by the person named ("Voting Member") in a certificate signed by all of the Owners of the Lot and delivered to the Association, or, if appropriate, by properly designated officers, partners or principals of the respective legal entity, and filed with the Secretary of the Association, and such certificate shall be valid until revoked by a subsequent certificate. If such a certificate is not filed with the Secretary of the Association, the vote of such Lot shall not be considered for establishing a quorum or for any other purpose.

Notwithstanding the foregoing provisions, whenever any Lot is owned by a legally married couple may, but shall not be required to, designate a Voting Member. In the event a certificate designating a

Voting Member is not filed by the legally married couple, the following provisions shall govern their right to vote:

- 1. When both are present at a meeting, each shall be regarded as the agent and proxy of the other for purposes of casting the vote for each Lot owned by them. In the event they are unable to concur in their decision upon any topic requiring a vote, they shall lose their right to vote on that topic at that meeting, but shall count as one (1) Member for purposes of establishing a quorum.
- 2. When only one (1) spouse is present at a meeting, the person present may cast the Lot vote without establishing the concurrence of the other spouse, absent any prior written notice to the contrary by the other spouse. In the event of prior written notice to the contrary to the Association by the other spouse, the vote of said Lot shall not be considered, but shall count for purposes of establishing a quorum.
- 3. When neither spouse is present, the person designated in a "Proxy" (as defined in the Bylaws) signed by either spouse may cast the Lot vote, when voting by Proxy is allowed, absent any prior written notice to the contrary to the Association by the other spouse or the designation of a different Proxy by the other spouse. In the event of prior written notice to the contrary to the Association or the designation of a different Proxy by the other spouse, the vote of said Lot shall not be considered, but shall count as one (1) Member for purposes of establishing a quorum.
- I. Unless some greater number is provided for in the Governing Documents, a quorum for the transaction of business at any meeting of the Members shall exist if Members holding at least thirty percent (30%) of the total voting interests of the Members shall be present or represented by proxy at the meeting.

ARTICLE VI TERM

The term for which this Association is to exist shall be perpetual. In the event of dissolution of the Association (unless same is reinstated), other than incident to a merger or consolidation, all of the assets of the Association shall be conveyed to a similar homeowners association or a public agency having a similar purpose, or any Member may petition the appropriate circuit court of the State of Florida for the appointment of a receiver to manage the affairs of the dissolved Association and its properties in the place and stead of the dissolved Association and to make such provisions as may be necessary for the continued management of the affairs of the dissolved Association and its properties.

In the event of the Association's termination, dissolution, or final liquidation, the responsibility for the operation and maintenance of the Drainage System must be transferred to and accepted by an entity which complies with Section 62-330.310, F.A.C. and is approved by the Water Management District prior to such termination, dissolution, or liquidation.

ARTICLE VII INCORPORATOR

The name and address of the Incorporator of these Articles are:

Steven M. Helfman, Esq. 1600 Sawgrass Corporate Parkway, Suite 400 Sunrise, Florida 33323

ARTICLE VIII BOARD OF DIRECTORS

- A. The number of Directors on the first Board of Directors of the Association ("First Board") shall be three (3) and shall be increased to four (4), or such greater odd number of not more than seven (7) as determined in the sole discretion of the Declarant, upon the election of one (1) "Purchaser Member" (as hereinafter defined) to the Board in accordance with Section 720.307(2) of the HOA Act. The "Initial Elected Board" (as hereinafter defined) shall be three (3) and the number of Directors elected by the Members subsequent to the "Declarant's Resignation Event" (as hereinafter defined) shall be an odd number of no less than three (3) nor more than seven (7). The Board shall determine the number of Directors to comprise the Board prior to each meeting at which Directors are to be elected. Except for Declarant-appointed Directors, Directors must be: (i) Members or the parents, children or spouses of Members, (ii) a partner, shareholder, member, manager, director or officer of a Member that is an entity, or (iii) a trustee or beneficiary of a Member that is a trust. Each Director shall have only one (1) vote.
- B. The names and addresses of the persons who are to serve on the First Board are as follows:

	<u>NAMES</u>	ADDRESSES
دغو	Marisa Lufkin	1600 Sawgrass Corporate Parkway, Suite 400 Sunrise, Florida 33323
	Patricia Campbell	1600 Sawgrass Corporate Parkway, Suite 400 Sunrise, Florida 33323
	N. Maria Menendez	1600 Sawgrass Corporate Parkway, Suite 400 Sunrise, Florida 33323

Declarant reserves the right to replace and/or designate and elect successor Directors to serve on the First Board for so long as the First Board is to serve, as hereinafter provided.

- C. In accordance with Section 720.307(2) of the HOA Act, the Members other than Declarant ("Purchaser Members") shall be entitled to elect one member of the Board after fifty percent (50%) of all the Lots in the Community to be constructed with a Home thereon (the "Total Developed Lots") have been conveyed to Members. The election of such one (1) Purchaser Member to the Board shall occur at the annual meeting of the Members following such conveyance.
- D. Upon the Turnover Date, the Purchaser Members shall be entitled to elect not less than a majority of the Board. The election of not less than a majority of the Board by the Purchaser Members

shall occur at a special meeting of the membership to be called by the Board for such purpose ("Initial Election Meeting"). The First Board shall serve until the Initial Election Meeting.

- E. The Initial Election Meeting shall be called by the Association, through the Board, within sixty (60) days after the Turnover Date. A notice of meeting shall be forwarded to all Members in accordance with the Bylaws; provided, however, that the Members shall be given at least fourteen (14) days prior notice of such meeting. The notice shall also specify the number of Directors which shall be elected by the Purchaser Members and the remaining number of Directors designated by Declarant.
- F. At the Initial Election Meeting, Purchaser Members, who shall include all Members other than Declarant, shall elect a majority of the Directors, and Declarant, until the Declarant's Resignation Event, shall be entitled to designate the remaining Directors on the Board (same constituting the "Initial Elected Board"). Declarant reserves and shall have the right, until the Declarant's Resignation Event, to name the successor, if any, to any Director it has so designated.
- G. The Board shall continue to be so designated and elected as described herein, at each subsequent Annual Members' Meeting (as defined in the Bylaws), until the Annual Members' Meeting following the Declarant's Resignation Event or until a Purchaser Member-elected Director is removed in the manner hereinafter provided.
- H. A Director (other than a Declarant-appointed Director) may be removed from office upon the affirmative vote or agreement in writing of a majority of the voting interests of Purchaser Members for any reason deemed to be in the best interests of the Purchaser Members. A meeting of the Purchaser Members to so remove a Director (other than a Declarant-appointed Director) shall be held upon the written request of ten percent (10%) of the Purchaser Members. Any such recall shall be effected and a recall election shall be held, if applicable, as provided in the HOA Act. Notwithstanding the foregoing, the Declarant shall not vote or consent with respect to removal of any Director elected by Members other than Declarant.
- I. Upon the earlier to occur of the following events ("Declarant's Resignation Event"), Declarant shall cause all of its designated Directors to resign:
- 1. When Declarant no longer holds for sale in the ordinary course of business at least five percent (5%) of the Total Developed Lots and all Lots sold by Declarant have been conveyed as evidenced by the recording of instruments of conveyance of such Lots amongst the Public Records of the County; or
- 2. When Declarant causes the voluntary resignation of all of the Directors designated by Declarant and does not designate replacement Directors.

Upon Declarant's Resignation Event, the Directors elected by Purchaser Members shall elect successor Directors to fill the vacancies caused by the resignation or removal of Declarant's designated Directors. These successor Directors shall serve until the next Annual Members' Meeting and until such Directors' successors are elected and qualified. In the event Declarant's Resignation Event occurs prior to the Initial Election Meeting, the Initial Election Meeting shall be called in the manner set forth in Paragraph E of this Article VIII, and all of the Directors shall be elected by the Purchaser Members at such meeting.

- J. At each Annual Members' Meeting held subsequent to Declarant's Resignation Event, all of the Directors shall be elected by the Members. At the first Annual Members Meeting held after the Initial Election Meeting, a "staggered" term of office of the Board shall be created as follows:
- 1. a number equal to fifty percent (50%) of the total number of Directors rounded up to the nearest whole number is the number of Directors whose term of office shall be established at two (2) years and the Directors serving for a two (2) year term will be the Directors receiving the highest number of votes at the meeting; and
 - 2. the remaining Directors' terms of office shall be established at one (1) year.

At each Annual Members' Meeting thereafter, as many Directors of the Association shall be elected as there are Directors whose regular term of office expires at such time, and the term of office of the Directors so elected shall be for two (2) years, expiring when their successors are duly elected and qualified.

K. The resignation of a Director who has been designated by Declarant or the resignation of an officer of the Association who has been elected or appointed by the First Board shall be deemed to remise, release, acquit, satisfy and forever discharge such Director or officer of and from any and all manner of actions, causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, executions, claims and demands whatsoever, in law or in equity, which the Association or Purchaser Members had, now have or will have or which any personal representative, successor, heir or assign of the Association or Purchaser Members hereafter can, shall or may have against said Director or officer for, upon or by reason of any matter, cause or thing whatsoever from the beginning of the world to the day of such resignation, except for such Director's or officer's willful misconduct, gross negligence or criminal conduct.

ARTICLE IX OFFICERS

The affairs of the Association shall be managed by the President of the Association, assisted by the Vice President(s), Secretary and Treasurer, and such other officers as the Board may from time to time elect, subject to the directions of the Board. Except for officers elected prior to the Turnover Date, officers must be: (a) Members or the parents, children or spouses of Members, (b) a partner, shareholder, member, manager, director or officer of a Member that is an entity, or (c) a trustee or beneficiary of a Member that is a trust.

Except for the First Officers as set forth below, and any successors designated by Declarant, the officers of the Association, in accordance with any applicable provision of the Bylaws, shall be elected by the Board of Directors for a term of one (1) year and thereafter until qualified successors are duly elected and have taken office. The Bylaws may provide for the method of voting in the election, for the removal from office of officers, for filling vacancies and for the duties of the officers. The President shall be elected from amongst the membership of the Board, but no other Officers need be a Director, but each Officer shall be an Owner (other than Officers elected or appointed by Declarant-appointed Directors). If the office of President shall become vacant for any reason, or if the President shall be unable or unavailable to act, the Vice President shall automatically succeed to the office or perform its duties and exercise its powers. If any other office shall become vacant for any reason, the Board of Directors may elect or appoint an individual to

fill such vacancy. Except for the office of President, the same person may hold two or more offices, the duties of which are not incompatible.

ARTICLE X FIRST OFFICERS

The names of the Officers who are to serve until the first election of officers by the Board (or otherwise designated by Declarant) are as follows:

President

Marisa Lufkin

Vice President

Patricia Campbell

Secretary/Treasurer

N. Maria Menendez

ARTICLE XI INDEMNIFICATION

Each and every Director, officer, and member of the Architectural Control Committee of the Association shall be indemnified by the Association from and against any and all losses, claims, demands, suits, actions, causes of action, liabilities (including, without limitation, property damage, personal injury and/or death), judgments, damages (including, without limitation, consequential and/or punitive damages), fines, liens, encumbrances, penalties, costs and expenses of whatever nature or kind (including, without limitation, reasonable fees for attorney and paralegal services and all costs and court costs through and including all trial, appellate and post-judgment levels and proceedings), related to, arising out of and/or resulting from his/her being or having been a Director or officer of the Association, and the foregoing provision for indemnification shall apply whether or not such person is a Director or officer at the time such cost, expense or liability is incurred. Notwithstanding the above, (i) in the event of a settlement in connection with any of the foregoing, the indemnification provisions provided in this Article XI shall not be automatic and shall apply only when the Board approves such settlement and reimbursement for the costs and expenses of such settlement as being in the best interest of the Association, and (ii) in the event a Director or officer admits that he/she is or is adjudged guilty of willful misconduct, gross negligence or criminal conduct in the performance of his/her duties, the indemnification provisions of this Article XI shall not apply. The foregoing right of indemnification provided in this Article XI shall be in addition to and not exclusive of any and all rights of indemnification to which a Director or officer of the Association may be entitled under statute or common law.

The Association shall have the power and authority to purchase and maintain insurance on behalf of any person (a "Covered Person") who is or was a Director, officer, or member of the Architectural Control Committee of the Association, or is or was serving at the request of the Association as a Director or officer of another corporation, partnership, joint venture, trust or other enterprise. Such insurance shall cover any liability asserted against such Covered Person and incurred in any such capacity, or arising out of such Covered Person's status as such, whether or not the Association would have the power to indemnify the Covered Person against such liability under the provisions of this Article XI.

The provisions of this Article XI shall not be amended in a manner which would limit or deny indemnification for any Director or officer entitled to indemnification hereunder prior to such amendment.

ARTICLE XII BYLAWS

The Board of Directors shall adopt Bylaws consistent with these Articles. Such Bylaws may be altered, amended or repealed in the manner set forth in the Bylaws. In the event of any conflict between the provisions of these Articles and the provisions of the Bylaws, the provisions of these Articles shall control.

ARTICLE XIII AMENDMENTS

- A. Prior to the First Conveyance, these Articles may be amended only by an instrument in writing signed by the Declarant and filed in the Office of the Secretary of State of the State of Florida.
- B. After the First Conveyance, and prior to the Turnover Date, these Articles may be amended solely by a majority vote of the Board, without the prior written consent of the Members, at a duly called meeting of the Board.
 - C. After the Turnover Date, these Articles may only be amended in the following manner:
- 1. The Board shall adopt a resolution setting forth the proposed amendment and directing that it be submitted to a vote at a meeting of the Members, which may be at either the Annual Members' Meeting or a special meeting. Any number of proposed amendments may be submitted to the Members and voted upon by them at one meeting.
- 2. Written notice setting forth the proposed amendment or a summary of the changes to be effected thereby shall be given to each Member within the time and in the manner provided in the Bylaws for the giving of notice of meetings.
- 3. At such meeting, a vote of the Members shall be taken on the proposed amendment(s). The proposed amendment(s) shall be adopted only upon receiving the affirmative vote of a majority of the total number of Members in the Association.
- 4. An amendment may be adopted by a written statement (in lieu of a meeting) signed by all Members and all members of the Board setting forth their intention that an amendment to the Articles be adopted.
- D. Notwithstanding any provisions of this Article XIII to the contrary, these Articles shall not be amended in any manner which shall prejudice the rights of any Institutional Mortgagee without the prior written consent of such Institutional Mortgagee.
- E. Notwithstanding the foregoing provisions of this Article XIII to the contrary, no amendment to these Articles shall be adopted which shall abridge, prejudice, amend or alter the rights of Declarant without the prior written consent of Declarant, including, but not limited to, Declarant's right to designate and select members of the First Board or otherwise designate and select Directors as provided in Article VIII above, nor shall any other amendment be adopted or become effective without the prior written consent of Declarant for so long as Declarant holds either a leasehold interest in or title to at least one (1) Lot.

F. A proposal to amend these Articles must contain the full text of the provision to be amended with new language underlined and deleted language stricken. However, if the proposed change is so extensive that underlining and striking through language would hinder, rather than assist, the understanding of the proposed amendment, the following notation must be inserted immediately preceding the proposed amendment: "Substantial rewording. See Governing Documents for current text." An amendment is effective when recorded in the public records of the County. A copy of each such amendment, modification, repeal or addition attested to by the Secretary or Assistant Secretary of the Association shall be recorded amongst the Public Records of the County.

ARTICLE XIV REGISTERED OFFICE AND REGISTERED AGENT

The street address of the initial registered office of the Association is 1600 Sawgrass Corporate Parkway, Suite 400, Sunrise, Florida 33323, and the initial registered agent of the Association at that address shall be Steven M. Helfman, Esq.

IN WITNESS WHEREOF, the Incorporator has hereunto affixed his signature, this 8th day of September.

STEVEN M. HELFMAN, ESQ., Incorporator

The undersigned hereby accepts the designation of Registered Agent as set forth in Article XIV of these Articles of Incorporation, and acknowledges that he is familiar with and accepts the obligations imposed upon registered agents under the Florida Not For Profit Corporation Act (1)

STEVEN M. HELFMAN, ESQ., Registered Agent

Dated: September 8th, 2022

EXHIBIT "C"

BYLAWS OF VALENCIA RIDGE HOMEOWNERS ASSOCIATION, INC.

[See Attached 14 Pages]

BYLAWS

OF

VALENCIA RIDGE HOMEOWNERS ASSOCIATION, INC.

(a corporation not for profit organized under the laws of the State of Florida)

Section 1. Identification of Association

These are the Bylaws of Valencia Ridge Homeowners Association, Inc. ("Association") as duly adopted by its Board of Directors ("Board"). The Association is a corporation not for profit, organized pursuant to Chapters 617 and 720, Florida Statutes.

- 1.1. The initial office of the Association shall be 1600 Sawgrass Corporate Parkway, Suite 400, Sunrise, Florida 33323 and thereafter may be located at any place designated by the Board.
 - 1.2. The fiscal year of the Association shall be the calendar year.
- 1.3. The seal of the Association shall bear the name of the Association and the word "Florida" and "Corporation Not For Profit."

Section 2. Explanation of Terminology

Initial capitalized terms appearing in these Bylaws but not otherwise defined herein shall have the meanings given to such terms in the Articles of Incorporation of the Association ("Articles") and/or the Declaration of Covenants, Restrictions and Easements for Valencia Ridge ("Declaration") which definitions are incorporated herein by reference.

Section 3. Membership; Members' Meetings; Voting and Proxies

- 3.1. The qualification of Members, the manner of their admission to membership in the Association, the manner of termination of such membership and the voting by Members shall be as set forth in the Articles.
- 3.2. The Members shall meet annually ("Annual Members' Meeting"). The Annual Members' Meeting shall be held at the office of the Association or at such other place in the County as the Board may determine and on such day and at such time as designated by the Board in the notice of such meeting commencing with the year following the year in which the Articles are filed with the Secretary of State. The purpose of the Annual Members' Meeting shall be to hear reports of the officers, elect members of the Board (when that shall be appropriate as determined by the provisions of the Articles) and transact any other business authorized to be transacted at such Annual Members' Meeting.
- 3.3. Special meetings (meetings other than the Annual Members' Meeting) of the Members shall be held at any place within the County whenever called by the President or Vice President or by a majority of the Board. A special meeting must be called by such President or Vice President upon receipt of a written request from Members having the right to vote at least one-third (1/3) of the total number of votes entitled to be cast by Members at any such special meeting.

- Except as otherwise provided in the Articles, a written notice of each 3.4. Members' meeting, whether an Annual Members' Meeting or a special meeting of the Members (collectively "Meeting"), shall be given to each Member entitled to vote at such Member's last known address as it appears on the books of the Association, and shall be mailed or hand delivered to the said address or electronically transmitted to the location furnished by the Member for that purpose not less than fourteen (14) days nor more than forty-five (45) days prior to the date of the Meeting. Proof of such mailing, hand delivery or electronic transmission shall be given by affidavit of the person giving the notice. Any notice given hereunder shall state the date, time and place of the Meeting and the purposes for which the Meeting is called, however, the purpose of the Annual Members' Meeting need not be stated. The notices of all Annual Members' Meetings shall, in addition, specify the number of Directors of the Association to be designated by Declarant and the number of Directors to be elected by the Members, if applicable. Notwithstanding any provisions hereof to the contrary, notice of any Meeting may be waived before, during or after such Meeting by a Member (or by the person entitled to vote for such Member) by signing a document setting forth the waiver of such notice. Additionally, the attendance of any Member (or person authorized to vote for such Member), either in person or by proxy, shall constitute such Member's waiver of notice of such Meeting, and waiver of any and all objections to the place of the Meeting, the date and time of the Meeting, or the manner in which it has been called or convened, except when Member's (or Member's authorized representative's) attendance is for the express purpose of objecting at the beginning of the Meeting to the transaction of business because the Meeting is not lawfully called.
- 3.5. The Members may, at the discretion of the Board, act by written consent in lieu of a Meeting provided written notice of the matter or matters to be agreed upon is given to the Members or duly waived in accordance with the provisions of these Bylaws. Unless some greater number is required under the Governing Documents or the HOA Act, and except as to the election of Directors, which shall be accomplished by plurality vote, the decision of a majority of the votes cast, or written consents given, by the Members as to the matter or matters to be agreed or voted upon shall be binding on the Members provided a quorum is either present at such Meeting or Members holding sufficient votes to constitute a quorum submit a response if action is taken by written action in lieu of a Meeting, as the case may be. The notice with respect to actions to be taken by written action in lieu of a Meeting shall set forth the time period during which the written consents must be received by the Association, which period shall be no longer than as provided in the HOA Act.
- 3.6. (a) A quorum for the transaction of business at any meeting of the Members shall consist of Members entitled to cast thirty percent (30%) of the total number of votes of the Members. A quorum of any class of Members shall consist of Members of such class entitled to cast thirty percent (30%) of the total number of votes of the class. Limited "Proxies" and general "Proxies" (as hereinafter defined in Section 3.10) may be used to establish a quorum.
- (b) When a quorum is present at any Meeting and a question which raises the jurisdiction of such Meeting is presented, the holders of a majority of the voting rights present in person or represented by written Proxy shall be required to decide the question. However, if the question is one upon which a vote other than the majority vote of a quorum is

required by express provision of the Governing Documents or by law, then such express provision shall govern and control the required vote on the decision of such question.

3.7. Not less than sixty (60) days before any Annual Members' Meeting or special Meeting at which elections of Directors are to occur (an "Election Meeting"), the Association shall mail, deliver or electronically transmit, whether by separate Association mailing or included in another Association mailing, delivery or transmission, including regularly published newsletters, to each Member entitled to a vote, a first notice of the date of the Election Meeting. Any Member or other eligible person desiring to be a candidate for the Board must give written notice to the Association not less than forty (40) days before the Election Meeting. Nominations from the floor shall not be permitted. Together with an agenda, the Association shall mail, deliver or electronically transmit a second notice of the Election Meeting to all Members entitled to vote therein, together with a ballot which shall list all candidates. Upon request of a candidate, the Association shall include an information sheet, no larger than 8 ½ by 11 inches, which must be furnished by the candidate not less than thirty-five (35) days before the Election Meeting, to be included with the mailing, delivery or electronic transmission of the ballot, with the costs of mailing, delivery or electronic transmission and copying to be borne by the Association. The Association shall not be liable for the contents of any information sheets prepared and supplied by the candidates. Elections shall be decided by a plurality of those ballots cast, regardless of whether a quorum is attained; however, at least twenty percent (20%) of the eligible voters must cast a ballot in order to have a valid election of Members of the Board. Members may not vote for Directors by Proxy. Voting by secret ballots by Members shall be conducted in accordance with Section 720.306(8)(b) of the HOA Act. In the event any Member returns their ballot in the outer envelope, and such outer envelope conforms to the requirements of Section 720.306(8)(b) of the HOA Act, however the Member fails to return the ballot in an inner envelope, then in such event, the ballot shall be counted as if the ballot was returned in an inner envelope so as to enfranchise each and every vote possible. Any Member who fails to return the inner ballot envelope voluntarily waives his/her right to anonymity. Furthermore, at any Election Meeting, the "Chairperson" (as hereinafter defined in Section 7.2) shall appoint an "Election Committee" consisting of at lease three (3) Members to supervise the election, count and verify ballots, disqualify votes if such disqualification is justified under the circumstances and certify the results of the election to the Board. The Election Committee shall be able to determine questions within its jurisdiction by plurality vote of all its members, but matters resulting in deadlocked votes of the Election Committee shall be referred to the entire Board for resolution. No candidate for election, or spouse or immediate family member thereof, shall be appointed to the Election Committee.

Notwithstanding any of the foregoing, if an election is not required because there are either an equal number or fewer candidates than vacancies existing on the Board, then no such voting and counting of ballots shall be necessary, with such candidates as having qualified as provided above being deemed elected, and commencing services on the Board at the same time as if each had been elected by vote.

3.8. If a quorum is not in attendance at a Meeting (other than with respect to an Election Meeting for which a quorum is not required), the majority of the Members who are present, either in person or by Proxy, may adjourn the Meeting from time to time until a quorum

is present, but in no event later than ninety (90) days from the date of the originally scheduled Meeting. Proxies for such adjourned Meeting shall remain valid in accordance with the HOA Act.

- 3.9. Minutes of all Meetings shall be kept in a businesslike manner and be available for inspection by the Members and Directors at all reasonable times. The Association shall retain minutes for such time as required by the HOA Act.
- 3.10. Voting rights of Members shall be as stated in the Articles with respect to the election of all Boards other than the First Board. Such votes may be cast in person, by secret ballot or by Proxy (as hereinafter defined). Proxies may also be used to vote on other agenda items at meetings at which Directors are to be elected, and may also be used to establish a quorum. "Proxy" is defined to mean an instrument containing the appointment of a person who is substituted in the place and stead of a Member entitle to vote. Proxies shall be in writing signed by the person or authorized representative of an entity giving the same and shall be valid only for the particular Meeting designated therein and, if so stated in the Proxy, any adjournments thereof, provided, however, any proxy automatically expires ninety (90) days after the original date of the Meeting for which it was originally given. A Proxy must be filed with the Secretary of the Association before the appointed time of the Meeting in order to be valid. Any Proxy may be revoked prior to the time a vote is cast in accordance with such Proxy. Any proxy holder may appoint, in writing, a substitute to act in his or her place. Except for Declarant representatives, non-Members are not permitted to attend Board and Members' Meetings, except by invitation of the Board.
- 3.11. The voting on any matter at a Meeting shall be by secret ballot upon request of the holders of ten percent (10%) of the votes represented at such Meeting and entitled to be cast on such matter, if such request is made prior to the vote in question.
- 3.12. Notwithstanding any other requirement set forth herein, in accordance with Sections 617.0721 and 617.0820, Florida Statutes, as both are amended from time to time, any Meeting, including, but not limited to, Annual Members' Meetings and elections, may, at the discretion of the Board, be held in full or in part on an electronic platform, such as, by way of example only and not limitation, Zoom, so long as Members are provided an opportunity to observe and participate in such meeting as otherwise set forth herein and as required by the HOA Act. At any such meeting in which an election of one (1) or more Directors is to take place, the Board may require absentee ballots only, to be cast in accordance with Section 720.306, Florida Statutes.

Section 4. Board; Directors' Meetings

- 4.1. The business and administration of the Association shall be by its Board.
- 4.2. The election and, if applicable, designation of Directors shall be conducted in accordance with Section 3.7 above. Except for Declarant-appointed Directors, Directors must be Members or the parents, children, spouses, trustees or guardians of Members except that if a Lot is owned by an entity and not an individual, such entity may only appoint a partner,

shareholder, member, manager, director or officer of such entity or any of its constituent entities on its behalf to be eligible to serve on the Board.

- 4.3. (a) Any person elected or designated as a Director shall have all the rights, privileges, duties and obligations of a Director of the Association as set forth in the Governing Documents and the HOA Act.
- (b) The term of a Director's service shall be as stated in the Articles and, if not so stated, shall extend until the next Annual Members' Meeting and thereafter until his or her successor is duly elected and qualified or until he or she resigns or is removed in the manner elsewhere provided.
- 4.4. The organizational meeting of a newly elected Board shall be held immediately after the election, but if not, then no later than ten (10) days following its election at such place and time as shall be fixed by the Directors at the meeting at which they were elected and notice of such organizational meeting shall be given in accordance with the HOA Act.
- 4.5. Regular meetings of the Board may be held at such times and places in the County as shall be determined from time to time by a majority of the Directors. Special meetings of the Board may be called at the discretion of the President or the Vice President. Special meetings must be called by the Secretary at the written request of at least one-third (1/3) of the Directors. Any such special meeting may be held in the County at such date, time and place as determined by the Directors requesting such meeting or in such other place as all of the Directors shall agree upon. Notwithstanding any other requirement set forth in Section 4, in accordance with Sections 617.0721 and 617.0820, Florida Statutes, as both are amended from time to time, regular and special meetings of the Board may, at the discretion of the Board, be held in full or in part on an electronic platform, such as, by way of example only and not limitation, Zoom, so long as Members are provided an opportunity to observe and participate in such meeting.
- 4.6. Notice of the time and place of regular and special meetings of the Board, or adjournments thereof, shall be given to each Director personally or by mail, telephone, facsimile or electronically transmitted if correctly directed to an electronic mail address at which the Director has consented to receive notice, at least forty eight (48) hours prior to the date and time named for such meeting unless such notice is waived before, during or after such meeting. Any Director may waive notice of the meeting in writing before, during or after a meeting and such waiver shall be deemed equivalent to the receipt of notice by such Director. Attendance by any Director at a meeting shall constitute a waiver of notice of such meeting, and a waiver of any and all objections to the place of the meeting, to the time of the meeting or the manner in which it has been called or convened, except when a Directors states at the beginning of the meeting, or promptly upon arrival at the meeting, any objection to the transaction of affairs because the meeting is not lawfully called or convened.
- 4.7 Notice of all Board meetings shall be given to the members in accordance with the HOA Act. Members of the Board may communicate electronically (via e-mail, texting, messaging apps and other similar electronic means of communication) but may not use electronic communication to cast votes. This provision shall not, however, prohibit the circulation

or delivery of a unanimous written consent of the Board via electronic transmission such as, but not limited to e-mail.

- 4.8. A quorum of the Board shall consist of the Directors entitled to cast a majority of the votes of the entire Board. Matters approved by a majority of the Directors present at a meeting at which a quorum is present shall constitute the official acts of the Board, except as may be otherwise specifically provided by law, by the Articles or elsewhere herein. If at any meeting of the Board there shall be less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At any meeting that takes place on account of a previously adjourned meeting, only business which might have been transacted at the meeting as originally called may be transacted. In the case of the adjournment of a meeting, no further notice of the adjourned meeting need be given other than, prior to such adjournment, the announcement of the time, date and place for the re-continued meeting unless additional business not scheduled to be taken up at the original Meeting is to be considered, in which case all notice requirements herein shall apply.
- 4.9. The presiding officer at all Board meetings shall be the President. In the absence of the President, the Vice President shall preside and in the absence of the Vice President, the Directors shall designate any one of their number to preside.
- 4.10. No Director shall receive any compensation from the Association for acting in such capacity or capacities, unless approved by a majority vote of the Members at a Meeting.
- 4.11. Minutes of all meetings of the Board shall be kept in a business-like manner and shall be available for inspection by Members and Directors as required by the HOA Act. The Association shall retain the minutes for such time periods, all as required by the HOA Act.
- 4.12. The Board shall have the power to appoint an "Executive Committee" of the Board consisting of not less than three (3) Directors. An Executive Committee shall have and exercise such powers of the Board as may be delegated to such Executive Committee by the Board. Meetings of the Executive Committee shall be subject to all provisions hereof and of the HOA Act applicable to meetings of the full Board. The Board may appoint different Executive Committees for different purposes as determined by the Board.
- 4.13. Meetings of the Board shall be open to all Members pursuant to, and as limited by, the HOA Act. The Board may also hold closed meetings to the extent permitted by applicable law, including, by way of example but not by way of limitation, when the discussion at a meeting is governed by attorney-client privilege, meetings between the Board or a committee and the Association's attorney to discuss proposed or pending litigation or meetings of the Board held for the purpose of discussing personnel matters. Members shall have the right to speak on any matter placed on the agenda in accordance with, and as limited by, the HOA Act and any rules and regulations promulgated by the Association governing the frequency, duration and other manner of Member statements, which rules may include a sign-up sheet for Members wishing to speak. In the event a Member conducts himself or herself in a manner detrimental to the carrying on of the meeting, then any Director may expel said Member from the meeting by any reasonable means which may be necessary to accomplish said Member's expulsion. Also, the

Board shall have the right to exclude from any meeting of the Board any person who is not able to provide sufficient proof that he or she is a Member or a duly authorized representative, agent or proxy holder of a Member, unless said person has been specifically invited by any of the Directors to participate in such meeting.

- 4.14. The Board may by resolution also create committees and appoint persons to such committees and vest in such committees such powers and responsibilities as the Board shall deem advisable. The Architectural Review Committee shall be deemed a committee hereunder, even if the Board elects to serve as such as provided in the Declaration.
- 4.15 Prior to the Turnover Date, any action required or permitted to be taken at a meeting of the Directors may be taken without a meeting if a consent in writing, specifically setting forth the action to be taken, shall be signed by all the Directors entitled to vote with respect to the subject matter thereof and such consent shall have the same force and effect as a unanimous vote of the Directors, provided, however, whenever assessments are to be considered, they may be considered only at a meeting of the Directors properly noticed in accordance with the HOA Act.

Section 5. Powers and Duties of the Board

- 5.1. All of the powers and duties of the Association shall be exercised by the Board except where otherwise required or limited by the Governing Documents or the HOA Act. Such powers and duties of the Board shall include, but not be limited to, all powers and duties set forth in the Governing Documents, as well as all of the powers and duties of a director of a corporation not for profit under the HOA Act and any other applicable Florida law not inconsistent therewith.
- 5.2. The Association may employ a manager to perform any of the duties, powers or functions of the Association. Notwithstanding the foregoing, the Association may not delegate to the manager the power to conclusively determine whether the Association should make expenditures for capital additions or improvements chargeable against the Association funds. The members of the Board shall not be personally liable for any omission or improper exercise by the manager of any duty, power or function delegated to the manager by the Association.

Section 6. Late Fees and Legal Fees

A Member who fails to timely pay any Assessment or other amount due to the Association (a "Delinquent Amount") shall be charged a late charge of Twenty-Five Dollars (\$25) or five percent (5%) of the overdue amount, whichever is greater, by the Association for such late Assessment or Delinquent Amount plus interest at a rate determined by the Board to be charged for the late payments of Assessments or Delinquent Amounts provided such amount does not exceed the highest amount permitted by law. Members shall also be responsible to pay all Legal Fees incurred in connection with the collection of late Assessments or Delinquent Amounts, late charges and/or interest as described herein, whether or not an action at law to collect said Assessments or Delinquent Amounts, as applicable, and foreclose the Association's lien has been

commenced. Without limitation, the Board has authorized the following initial schedule of Legal Fees for such circumstances:

- (a) Legal Fees incurred in the filing of a Claim of Lien.
- (b) Legal Fees incurred in the filing of a Satisfaction of Lien;
- (c) Legal Fees incurred in the preparation and sending of any Notice of Intent to Lien and Notice of Intent to Foreclose; and
- (d) Legal Fees incurred in any action pursuing collection of such unpaid Assessments or Delinquent Amounts, late charges and/or interest or violation by a Member or their Occupants of any part of the Governing Documents, including those incurred in enforcing the Association's right to recover the Legal Fees.

Section 7. Officers of the Association

- 7.1. Executive officers of the Association shall be the President, who shall be a Director, one or more Vice Presidents, a Treasurer and a Secretary, all of whom shall be elected annually by the Board. Any officer may be removed without cause from office by vote of a majority of the Directors at any meeting of the Board. The Board may, from time to time, elect such other officers and assistant officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association. Except for the office of President, the same person may hold two or more offices, the duties of which are not incompatible.
- 7.2. The President shall be the chief executive officer of the Association. He or she shall have all of the powers and duties which are usually vested in the office of the President of an association or a corporation not for profit, including, but not limited to, the power to appoint such committees from among the Members at such times as he or she may, in his or her discretion, determine appropriate to assist in the conduct of the affairs of the Association. If in attendance, the President ("Chairperson") shall preside at all meetings of the Board and the Members; provided, however, that the President may appoint a substitute Chairperson who need not be a Member, Officer or Director.
- 7.3. In the absence or disability of the President, a Vice President shall exercise the powers and perform the duties of the President. If there is more than one (1) Vice President, the Board shall designate which Vice President is to perform which duties. The Vice President(s) shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Board. In the event there shall be more than one Vice President elected by the Board, then they shall be designated "First," "Second," etc., and shall exercise the powers and perform the duties of the presidency in such order.
- 7.4. The Secretary shall keep the minutes of all meetings of the Board and the Members, which minutes shall be kept in a businesslike manner and be available for inspection by Members and Directors at all reasonable times. The Secretary shall have custody of the seal of the Association and affix the same to instruments requiring such seal when duly authorized and directed to do so. The Secretary shall be custodian for the corporate records of the Association, except those of the Treasurer, and shall perform all of the duties incident to the office of Secretary of the Association as may be required by the Board or the President. The

Assistant Secretary, if any, shall perform the duties of the Secretary when the Secretary is absent and shall assist the Secretary under the supervision of the Secretary.

- 7.5. The Treasurer shall have custody of all of the monies of the Association, including funds, securities and evidences of indebtedness. The Treasurer shall keep the assessment rolls and accounts of the Members and shall keep the books of the Association in accordance with good accounting practices and he or she shall perform all of the duties incident to the office of the Treasurer. The Assistant Treasurer, if any, shall perform the duties of the Treasurer when the Treasurer is absent and shall assist the Treasurer under the supervision of the Treasurer.
- 7.6. The compensation, if any, of the Directors, Officers, committee members and other employees of the Association shall be fixed by the Board. Directors and Officers shall not receive any compensation from the Association for acting in such capacity or capacities, unless permitted by the HOA Act and approved by a majority vote of the Members present at a Meeting. This provision shall not preclude the Board from hiring a Director or Officer as an employee of the Association or preclude contracting with a Director or Officer, or a party affiliated with a Director or Officer for the management or performance of contract services for all or any part of Valencia Ridge.

Section 8. Resignations; Vacancy; Removal

- 8.1 Any Director or officer may resign his or her post at any time by written resignation, delivered to the President or Secretary, which shall take effect upon its receipt unless a later date is specified in the resignation, in which event the resignation shall be effective from such date unless withdrawn. The acceptance of a resignation shall not be required to make it effective. The conveyance of all Lots owned by any Director or officer (other than appointees of Declarant) shall constitute a written resignation of such Director or officer.
- 8.2 Except when contrary to the HOA Act, when a vacancy occurs on the Board, the vacancy shall be filled by the remaining members of the Board at any meeting by electing a person who shall serve the remaining portion of the unexpired term, provided that all vacancies in directorships to which Directors are appointed by Declarant pursuant to the provisions of the Governing Documents shall be filled only by the Declarant and without the necessity of any meeting.
- 8.3 Any Director elected by the Members other than the Declarant may be removed by: (a) a vote of a majority of voting interests of all of the Members (other than the Declarant) at a special meeting of Members called for that purpose, (b) written agreement signed by a majority of all such Members' voting interests, or (c) written ballot without a Meeting in accordance with the HOA Act. The vacancy of the Board so created shall be filled in accordance with the procedures specified in the HOA Act.
- 8.4 When a vacancy occurs in an office for any cause, the office shall be filled in accordance with the Articles, , provided that all vacancies in offices to which Officers are appointed by Declarant pursuant to the provisions of the Governing Documents shall be filled only by the Declarant and without the necessity of any meeting.

Section 9. Accounting Records; Fiscal Management

- 9.1. The Association shall prepare financial reports and maintain accounting records in accordance with the HOA Act. The accounting records of the Association shall be open to inspection by Members and Institutional Mortgagees or their respective authorized representatives at reasonable times and in accordance with, but subject to the limitations of, the HOA Act. Such authorization as a representative of a Member must be in writing and signed by the person giving the authorization and dated within sixty (60) days of the date of the inspection. Such records shall include, but not be limited to: (i) a record of all receipts and expenditures; (ii) an account for each Lot within Valencia Ridge which shall designate the name and address of the Owner thereof, the amount of Individual Lot Assessments and all other Assessments, if any, charged to the Lot, the amounts and due dates for payment of same, the amounts paid upon the account and the dates paid, and the balance due; (iii) any tax returns, financial statements and financial reports of the Association; and (iv) any other non-privileged records that identify, measure, record or communicate financial information.
- 9.2. The Board shall adopt a Budget (as defined and provided for in the Declaration) of the anticipated Operating Expenses for each forthcoming calendar year (the fiscal year of the Association being the calendar year) at a special meeting of the Board ("Budget Meeting") called for that purpose to be held during the month of November of the year preceding the year to which the Budget applies. Prior to the Budget Meeting, a proposed Budget for the Operating Expenses shall be prepared by or on behalf of the Board. Within thirty (30) days after adoption of the Budget, the Association shall provide each Member with notice of the Individual Lot Assessment applicable to such Member's Lot and either: (a) a copy of the Budget, or (b) a written notice that a copy of the Budget is available upon request at no charge to the Members. If so requested by a Member, a copy thereof shall be furnished to each requesting Member within ten (10) business days after the Association's receipt of the written request. The copy of the Budget, if requested, shall be deemed furnished and the notice of the Individual Lot Assessment shall be deemed given upon its delivery or upon its being mailed to the Owner shown on the records of the Association at such Owner's last known address as shown on the records of the Association.
- 9.3. In administering the finances of the Association, the following procedures shall govern: (i) the fiscal year shall be the calendar year; (ii) any monies received by the Association in any calendar year may be used by the Association to pay expenses incurred; (iii) there shall be apportioned between calendar years on a *pro rata* basis any expenses which are prepaid in any one calendar year for Operating Expenses which cover more than such calendar year; (iv) Assessments shall be paid quarterly (unless otherwise determined by the Board) in amounts no less than are required to provide funds in advance for payment of all of the anticipated current Operating Expenses and for all unpaid Operating Expenses previously incurred; and (v) items of Operating Expenses incurred in a calendar year shall be charged against income for the same calendar year regardless of when the bill for such expenses is received. Notwithstanding the foregoing, the Assessments for Operating Expenses and any periodic installments thereof shall be of sufficient magnitude to insure an adequacy and availability of

cash to meet all budgeted expenses in any calendar year as such expenses are incurred in accordance with the cash basis method of accounting.

- 9.4. Individual Lot Assessments shall be payable as provided in the Declaration.
- 9.5. No Board shall be required to anticipate revenue from Assessments or expend funds to pay for Operating Expenses not budgeted or which shall exceed budgeted items, and no Board is required to engage in deficit spending. Should there exist any deficiency which results from there being greater Operating Expenses than monies from Assessments, then such deficits shall be carried into the next succeeding year's Budget as a deficiency or shall be the subject of a Special Assessment or an upward adjustment to the Budget and Individual Lot Assessment, as amended by the Board.
- 9.6. The depository of the Association shall be such bank or banks as shall be designated from time to time by the Board in which the monies of the Association shall be deposited. Withdrawal of monies from such account shall be only by checks or other authorities signed or given by such persons as are authorized by the Board.
- 9.7. A report of the accounts of the Association shall be made annually by an accountant and a copy of the report shall be furnished to each Member who requests same in writing no later than May 31 of the year following the calendar year for which the report is made. The report shall be deemed to be furnished to the Member upon its delivery or mailing to the Owner at such Owner's last known address as shown on the records of the Association.

Section 10. Rules and Regulations

The Board may at any meeting of the Board adopt rules and regulations or amend, modify or rescind, in whole or in part, then existing rules and regulations for the operation of Valencia Ridge; provided, however, that such rules and regulations are not inconsistent with the terms or provisions of the Governing Documents or the HOA Act. Copies of any rules and regulations promulgated, amended or rescinded shall be mailed or delivered to all Members at the last known address for such Members as shown on the records of the Association at the time of such delivery or mailing and shall not take effect until forty-eight (48) hours after such mailing.

Section 11. Fines and Suspensions

The Board shall have the power and authority, all as provided in the Governing Documents: (i) to impose reasonable fines in amounts determined by the Board from time to time, (ii) to suspend the rights of a Member and/or such Member's Occupants to use the Association Property or any portions thereof, (iii) to suspend the right of a Member to vote, and (iv) to preclude a Member or Occupant from the Association Property or portions thereof for violation by such Member or Occupant of any duty, requirement or restriction imposed under the Governing Documents. Notwithstanding the foregoing, nothing herein shall authorize the Association or the Board to eliminate an Owner's or Occupant's ingress and egress to or from such Member's Lot, provided any access control device or label provided for a Member's or Occupant's convenience may be withdrawn from such party or deactivated as a sanction hereunder. Any such fine or suspension pursuant to this Section shall be governed by the

pertinent procedures and requirements of the HOA Act, as same may be amended from time to time.

Section 12. Parliamentary Rules

The then latest edition of <u>Robert's Rules of Order</u> shall govern the conduct of all meetings of the Members and the Board; provided, however, if such rules of order are in conflict with any of the Governing Documents or the HOA Act, <u>Robert's Rules of Order</u> shall yield to the provisions of such instrument(s). Non-material deviations from Robert's Rules of Order shall not invalidate otherwise proper acts of the Members or the Board.

Section 13. Roster of Owners

Each Owner shall file with the Association a copy of the recorded deed or other document showing his or her ownership interest in Valencia Ridge. The Association shall maintain such information as part of the official records of the Association. The Association shall also maintain the electronic mailing addresses and phone numbers of those Owners consenting to receive notice by electronic transmission. The electronic mailing address and numbers provided by Owners consenting to receive notice by electronic transmission shall be removed from Association records when consent to receive notice by electronic transmission is revoked. The Association may rely on the accuracy of such information for all purposes until notified in writing of changes therein. Unless otherwise requested in writing, all phone numbers and electronic mailing addresses shall constitute a part of the official records of the Association and provided to any Member who makes a proper request to inspect such official records of the Association and/or as part of published membership directories of the Association.

Section 14. Amendment of the Bylaws

- 14.1. These Bylaws may be amended as hereinafter set forth in this Section 14.
- 14.2. After the Turnover Date, any Bylaw of the Association may be amended or repealed with notice of the subject matter of a proposed amendment to be included in the notice of a meeting at which a proposed amendment is to be considered, and any new Bylaw of the Association may be adopted by either:
- (i) the affirmative vote a majority vote of the Members who appear in person or by proxy at any Annual Members' Meeting or any special meeting of the Members called for that purpose or by majority action of the Members who have acted by written action in lieu of a Meeting as permitted by these Bylaws; or
- (ii) the affirmative vote of a majority of the Directors then in office at any regular meeting of the Board or at any special meeting of the Board called for that purpose or by written instrument signed by all of the Directors as is permitted by these Bylaws, provided that the Directors shall not have any authority to adopt, amend or repeal any Bylaw if such new Bylaw or such amendment or the repeal of a Bylaw would be inconsistent with any Bylaw previously adopted by the Members.
- 14.3. Notwithstanding any of the foregoing provisions of this Section 14 to the contrary, until the Turnover Date, all amendments or modifications to these Bylaws and adoption

or repeal of Bylaws shall only be made by action of the First Board as described in the Articles, which First Board shall have the power to amend, modify, adopt and repeal any Bylaws without the requirement of any consent, approval or vote of the Members.

- 14.4. Notwithstanding the foregoing provisions of this Section 14, there shall be no amendment to these Bylaws which shall abridge, prejudice, amend or alter the rights of: (i) Declarant, without the prior written consent thereto by Declarant; or (ii) any Institutional Mortgagee without the prior written consent of such Institutional Mortgagee; nor shall any other amendment to these Bylaws be adopted or become effective without the prior written consent of Declarant for so long as Declarant holds either a leasehold interest in or title to at least one (1) Lot.
- 14.5. A proposal to amend these Bylaws or the rules and regulations of the Association must contain the full text of the provision to be amended with new language underlined and deleted language stricken. However, if the proposed change is so extensive that underlining and striking through language would hinder, rather than assist, the understanding of the proposed amendment, the following notation must be inserted immediately preceding the proposed amendment: "Substantial rewording. See governing documents for current text." An amendment is effective when recorded in the public records of the County. A copy of each such amendment, modification, repeal or addition attested to by the Secretary or Assistant Secretary of the Association shall be recorded amongst the Public Records of the County.

Section 15. Mediation

If and to the extent required by the HOA Act, mandatory mediation shall be required prior to institution of court litigation for disputes involving certain actions or inactions, as described in the HOA Act.

Section 16. Recall of Board Members and Election Disputes

If and to the extent required by the HOA Act, mandatory binding arbitration before the Division of Florida Condominiums, Timeshares, and Mobile Homes shall be required for election disputes and disputes involving the recall of any member of the Board. Any member of the Member-elected Board may be recalled and removed from office as provided for and described in the HOA Act.

Section 17. Interpretation

In the case of any conflict between the Articles and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control; and in the event of any conflict between the Articles and the Declaration, the Declaration shall control.

VALENCIA RIDGE HOMEOWNERS ASSOCIATION, INC., a Florida not-for-profit corporation

Name: Stephanie Patterson

Title: President

Attest: // Name: N. Maria Menendez

Title: Secretary

[CORPORATE SEAL]

GENERAL

These Rules and Regulations are designed for the mutual benefit of all Owners within the Community known as Valencia Ridge (the "Community"). All Rules and Regulations shall apply to and be binding upon all Owners. Notwithstanding the foregoing, the Rules and Regulations shall not apply to Declarant or Declarant's agents, employees or contractors or to Lots or Homes owned by Declarant until they are conveyed to Owners. All initial capitalized terms used herein, but not defined, shall have the meaning given to such terms as set forth in the Declaration of Covenants, Restrictions and Easements for Valencia Ridge, as amended and/or supplemented from time to time (the "Declaration").

- Responsibility. With respect to compliance with the Rules and Regulations, an Owner shall be held responsible
 for the actions of such Owner, and such Owner's family members, guests, invitees, tenants, contractors and
 other persons for whom Owner is responsible, as well as for the actions of persons over whom Owner
 exercises control and supervision. As used in these Rules and Regulations, the term Owner shall also include
 all such parties.
- 2. Observance of Governmental Requirements. All applicable laws, ordinances, codes, orders, rules, regulations and requirements of all governmental bodies having jurisdiction (collectively, "Governmental Requirements") shall be observed. Violations of any Governmental Requirements relating to the Association Property or any Lot or Home shall be corrected by, and at the sole expense of, the responsible Owner and, as appropriate, the violator.
- 3. Improper Use. No improper, hazardous or unlawful use shall be made of the Association Property or any Home or Lot.
- 4. Decorum. Owners and their Occupants shall behave in a professional and courteous manner when on Association Property, at all Association meetings and events, and when interacting with any Board member, members of the property management and lifestyle teams, residents and vendors of the Association. All communications, whether written or verbal, directed to the Association, members of the Board, committee members, residents, members of the property management and lifestyle teams, and vendors of the Association shall be professional, courteous, non-threatening, and respectful. No vulgarity, threatening demeanor, intimidation, or cursing will be tolerated.
- 5. Nuisance. No obnoxious or offensive activity as determined by the Board shall be carried on or about the Lots or in or about any Improvements, Homes Association Property or on any portion of the Community nor shall anything be done therein which may be or become an unreasonable annoyance or a nuisance to any Owner. No use or practice shall be allowed in or around the Homes and/or Lots which, as determined by the Board, is a source of annoyance to Owners or Occupants of Homes or which interferes with the rights, peaceful possession or proper use of the Homes or the surrounding areas. Nothing shall be done within the Association Property or any Home or Lot which tends to cause embarrassment, discomfort, unreasonable annoyance or nuisance to any Owner.
- 6. Disturbance. No loud noises, noxious or unpleasant odors or ultra-hazardous activity, each as determined by the Board, shall be permitted or undertaken by any Owner and/or Occupant in any portion of the Community (including all Improvements, Association, Property, Homes or Lots). Without limiting the generality of any of the foregoing provisions, no horns, whistles, bells or other sound devices (other than security devices used exclusively for security purposes), noisy or smoky vehicles, unlicensed off road motor vehicles or any items which may unreasonably interfere with television or radio reception of any Owner shall be located, used or placed on any Lot or Association Property, or exposed to the view other Owners without the prior written approval of the Board.
- 7. Violations. Violations of any Rule or Regulation shall subject the responsible Owner and/or violator to any and all remedies available to the Association pursuant to the Valencia Ridge Documents (as defined in the Declaration), including all Rules and Regulations promulgated by the Association, and the Homeowners' Association Act (Section 720 of the Florida Statutes). All violations of any of the Rules and Regulations should be reported immediately to the Board or its designees. Violations shall be called to the attention of the responsible Owner(s) and, as appropriate, the violator(s) by the Board or its designees in writing. Disagreements concerning violations shall be presented to and be ruled upon by the Board or its designees in accordance with the Declaration and the Homeowners' Association Act.
- 8. Enforcement. Failure of an Owner to comply with any Rule or Regulation adopted by the Association shall be grounds for action which may include an action to recover sums due for damages, injunctive relief or any combination thereof. In addition to all other remedies for failure to comply with any Rule or Regulation, the

GENERAL (continued)

Association may suspend any or all of the rights of an Owner or an Owner's tenants, guests or invitees to use the Association Property and facilities (including, without limitation, the Recreation Tract) as provided in the Declaration. In any actions, the Association shall be entitled to recover any and all court costs incurred by it, together with reasonable attorneys' fees, against the responsible Owner(s) and, as appropriate, any violator(s). In addition, and in the sole discretion of the Board, fines may be imposed upon an Owner for failure to comply with any Rule or Regulation. Procedures for the impositions of fines are spelled out in the Declaration and the Homeowners' Association Act.

- 9. Revocation. Any waivers of the Rules and Regulations and/or consents or approvals in violation of the Rules and Regulations given by the Board shall be revocable at any time and shall not be considered as a waiver, consent or approval of identical or similar situations unless set forth in writing by the Board.
- 10. No Amendment. The Rules and Regulations contained in this document do not amend any provision of the Declaration. In the event of conflict between the two, the provisions of the Declaration shall prevail.
- 11. Further Amendment. The Board reserves the right to amend, rescind, clarify or alter these Rules and Regulations, in whole or in part, at any time and from time to time, including, without limitation, rules and regulations relating to the use of any portion of the Association Property, including the Recreation Areas, the Clubhouse and the facilities and/or amenities therein.

ADDITIONS AND ALTERATIONS

As provided in the Declaration, all improvements, additions, modifications, decorations or alterations visible from or affecting the exterior of the Home or Lot (the "Improvement") shall be reviewed by and receive written approval from the Architectural Control Committee ("Committee") prior to the commencement of the Improvement. All requests for Committee approval of any Improvement must be on the form designated for this purpose by and available from the Association. The Committee shall require the submission of plans and specifications showing the materials, color, structure, dimensions and location of the proposed Improvement in sufficient detail to assure compliance with any criteria established for approvals. Submissions shall be accompanied by justification or reasoning for the Improvement and the security deposit, if any, required by the Board to cover the costs of incidental damage caused to Association Property or to an adjacent Lot or Home by virtue of an Owner's construction of improvements, additions or alterations to such Owner's Lot or exterior of the Home. The Association may also require the submission of additional information prior to approving or disapproving Improvements. The Committee shall approve or disapprove the request within 45 days from receipt of all requested submission plans and materials. In the event the Committee fails to approve or disapprove a request in writing within 45 days of receipt of all requested plans, materials and information, unless a request is specifically deferred, the request shall automatically be deemed disapproved. No modification, installation and/or construction of an Improvement shall be commenced until such time as the Owner is in receipt of written approval from the Committee.

The Committee shall approve proposed plans and specifications for Improvements submitted for its approval only if:

- (i) it deems that the Improvements contemplated will not be detrimental to the appearance of the surrounding area of the Property as a whole;
- (ii) the appearance of the Improvements will be in harmony with the surrounding structures and is otherwise desirable; and
- (iii) the Improvements are consistent with the "Community Standard" (as defined in the Declaration).

The Committee shall also adhere to the restrictions and requirements for Improvements provided in the Declaration, Rules and Regulations and other guidelines as may be promulgated by the Board with respect to any and all additions and alterations within the Property.

The Committee may condition its approval of proposed plans and specifications in such a manner as it deems appropriate, including, without limitation, Owner's compliance with any and all Governmental Requirements. Such conditions of approval may also require, among other things, complying with Governmental Requirements.

If approved by the Committee, all construction shall be subject to the terms and conditions set forth in the Committee's approval, the Governing Documents, the Rules and Regulations, and any applicable Governmental Requirements, including, without limitation, obtaining all proper permits. Approval of an Improvement by the Committee shall not be deemed to be an exemption from compliance with all Laws.

ADDITIONAL GUIDELINES FOR ADDITIONS AND ALTERATIONS

Without limiting the generality of the criteria included on Page 3 of these Rules and Regulations and without curtailing the right of the Committee or the Board in rejecting certain requests or employing judgment in evaluating requests, the following guidelines shall be considered when evaluating requests for Improvements. Note that, even in the event of strict compliance with the following guidelines, prior approval from the Committee shall be required for each and every of the following items:

- 1. Painting. The painting, staining or varnishing of the exterior of the Home, including doors and garage doors, may be approved only if the colors and style are consistent with existing improvements. Declarant's original paint color schemes provided to its original purchasers shall be the basis for determining consistency with existing improvements, but shall not be the sole basis. No Home shall have the same exterior color scheme as either of the homes placed next to it whose front elevation is on the same street frontage.
- 2. Metal or Aluminum Roofs. Metal or aluminum roofs shall not be permitted.
- 3. Temporary Structures. No tents, trailers, shacks, utility sheds or other temporary buildings or structures shall be constructed or otherwise placed on a Lot.
- 4. Landscape Material. Any plans for landscape improvements or alterations (including, without limitation, sod, plants, hedges, trees, mulch and/or landscaping rock) shall be submitted for approval to the Committee. Without limiting the foregoing, no trees, shrubbery or landscaping shall be removed from, altered or added to Lots without the prior written consent of the Committee and no additional trees, shrubbery or landscaping are permitted to be planted by an Owner on the Lot without the prior written consent of the Committee. Installation of artificial turf may be permitted in the rear yard of the Home, subject to prior approval by the Committee and may not impact drainage. Only Saint Augustine sod is permitted in the front yard of the Home. In the event that the Committee approves any additional trees, shrubbery or landscaping to be installed on the Lot which was not initially installed by Declarant, the Association's Home Landscaping Services will not include the maintenance and care of such additional material.
- 5. Antennae and Satellite Dishes. No antennae, microwave receiving devices, satellite receiving devices, aerials or ham radios shall be placed or erected on any Lot, within any Home or upon any other portion of the Community, except to the extent applicable law requires the Association to permit any such device, in which case such improvement shall be subject to all of the other requirements of the Valencia Ridge Documents and the Committee to the maximum extent permitted by law. Satellite dishes which are reasonable in size (such as one (1) meter (39.37 inches) or less in diameter) may be approved, subject to any rules adopted by the Association relating to the location and effectiveness with respect to concealing their appearance from adjacent lots and rights of way.
- 6. Driveways. Approval for the widening of front load garage driveways may be considered if the width is no wider than the outside width of the garage. For side load garages, the shape and size of the driveway extension, if approved, will depend on lot and field conditions. All driveway extensions must be finished with a material of a selection, color and style consistent with the original installation and only if the placement and location of the additional pavers does not interfere with the drainage for the Lot or the neighboring lot. Owner assumes the responsibility for continued maintenance, repair and replacement of the extended driveway areas. Approval for the refinishing of driveways with brick pavers may be approved only if the colors and styles are consistent with existing improvements and it does not interfere with any existing utilities, as determined by the Association. Declarant's original brick paver schemes provided to its original purchasers (on either a standard or optional basis) shall be the basis for determining consistency with existing improvements.
- Exterior Door Hardware; Decorative Wreaths. Committee approval shall not be required for the installation of new door hardware (including electronic keypads) on any exterior doors and/or decorative wreaths placed on the front door of the Home.
- 8. Screen Enclosures. Approval for screen enclosures shall be limited to aluminum frame structures which are bronze color only and screen meshes on the enclosure which are a standard dark color (e.g. charcoal, bronze or black). Kick plates may be approved which are no taller than 24" above the patio deck. Glass panels or obscure screen materials shall be prohibited. No enclosures shall be permitted at the front entries if the proposed structure extends beyond the face of the covered entry, except where functionality of the front door to the home is affected, in which event the enclosure may be extended, but only to the extent the enclosure is no more than 48" from the front door of the Home. No aluminum or flat roofing material shall be permitted. Either the existing roof line may be extended or a screen enclosure may be installed if approved by the Committee. The composition of all pitched roofs shall be consistent with the composition of the existing roof of such home.

ADDITIONAL GUIDELINES FOR ADDITIONS AND ALTERATIONS (continued)

- 9. Awnings. An Owner shall not install or attach any awnings to such Owner's Home without the prior written consent of the Committee. The Committee shall have the right to adopt, and amend from time to time, guidelines governing the type, design, size and color of awnings which may be permitted, and restrictions relating to locations and the maintenance of the awnings.
- 10. Exterior Lighting. Except for seasonal decorative lights, which may be displayed between Thanksgiving and January 31 only, all exterior lights must be approved by the Committee. Approval may be given for lighting fixtures (e.g. coach lights and entry chandeliers), subject to limited wattage, fixture sizes which are to scale with others in Community and fixture styles which are consistent with others in the Community.
- 11. Above Ground Swimming Pools and Spas. Above ground swimming pools shall not be permitted. Above ground spas shall not be permitted unless: (i) the entire spa is located under a covered patio area of the Home, or (ii) the entire spa is located within the screen enclosure of the Home and the entire base of the spa shall at all times be screened from view by all adjacent Lot Owners and from the street with the use of hedges and/or landscaping. Owner shall be required to submit a landscaping plan to the Committee to show proper screening of the spa base. Owner shall be responsible to maintain, repair and replace from time to time any hedges and/or landscaping which may be approved as part of the screening requirements for the spa.
- 12. Fountains, Sculptures and Flowerpots. All fountains and sculptures to be installed in the exterior of the Home must be approved by the Committee. Certain fountains may be considered for approval if installed with timers and if to scale within the area of installation. Approved fountains may only be installed in Owner's front courtyard (if applicable) or the rear yard of an Owner's Lot, but in no event in a manner which obstructs or interferes with the view of a Lake by an adjacent Lot Owner in a material way. Approved fountains may be installed only in landscaped regions of the Lot originally created by Declarant. Certain flowerpots may be approved by the Committee, but in no event shall the number of flowerpots permitted exceed four (4) per Home. Limit of a total of 4 exterior decorative elements (including, without limitation, fountains and flowerpots) per Home. Fountains shall only be permitted to run between the hours of 8:00 a.m. and 11:00 p.m. No exterior sculptures shall be permitted. No decorative elements shall be approved or installed that exceed 48" in height.
- 13. Outdoor Mosquito Spray and Misting Systems. Outdoor mosquito spray and/or misting systems and all similar devices shall not be permitted.
- 14. Outdoor Art and Other Decorative Items. All artwork and other decorative items to be installed in the exterior of the Home must be approved by the Committee.
- 15. Flags. Any homeowner may display a United States flag or official flag of the State of Florida as well as a flag not larger than 4 ½ feet by 6 feet that represents the United States Army, Navy, Air Force, Marine Corps, or Coast Guard, or a POW-MIA flag. All flags must be displayed in a respectful manner and may be erected on a freestanding flagpole no more than 20 feet high on any portion of the Lot, so long as the flagpole does not obstruct sightlines at intersections and is not erected within or upon an easement. The flagpole and display are subject to all building codes, zoning setbacks, and other applicable governmental regulations, including, but not limited to, noise and lighting ordinances in the county or municipality in which the flagpole is erected and all setback and locational criteria contained in the Governing Documents. The above-described flags are the only permitted flags to be displayed outside a Home in the Community.
- 16. Conversion of Garages. Conversions of garages to air conditioned livable space shall not be permitted.
- 17. Garage Door Screening. No portion of the opening to any garage door may be covered or enclosed by screen material.
- 18. Outdoor Furniture. Approval of outdoor furniture may be permitted in the front covered entryway of a Home. Approval is not required for any outdoor furniture located in the rear yard of a Lot. Notwithstanding the foregoing, Owner shall maintain all such outdoor furniture free of mildew, rust, wood rot and deterioration of equipment components.
- 19. Solar Panels. An Owner shall not install or attach any solar panel to the Home without the prior written consent of the Committee. The Committee shall have the right to adopt and amend from time to time, guidelines governing the type, design and size of solar panels which may be permitted, and restrictions relating to locations and the maintenance of the solar panels.
- 20. Pergolas; Gazebos; Cabanas. Pergolas, gazebos and cabanas may be approved by the Committee subject to the Association's guidelines for approval of Improvements, including, but not limited to, whether the proposed pergola, gazebo or cabana is in harmony with or detrimental to the appearance of the Community and/or

ADDITIONAL GUIDELINES FOR ADDITIONS AND ALTERATIONS (continued)

obstructs or interferes with the view of a Lake by an adjacent Lot Owner in a material way. All pergolas, gazebos and cabanas must include concrete footers or other mechanism to permanently secure the structure.

- 21. Setbacks. All Improvements (including, without limitation, pools and screen enclosures) shall comply with all setbacks and other dimensional requirements imposed by the appropriate development order for the Community, as well as all other applicable Governmental Regulations.
- 22. Rear Yard Drainage Swale Easement. Except as expressly provided in this paragraph, and except for any Improvements, landscaping and other additions made or installed by Declarant and/or the Association, no planting, landscaping and/or Improvements whatsoever, including, without limitation, pool decks, patios, screen enclosures, hedges, trees, etc. shall be permitted within the Drainage Swale Easement (as defined in the Declaration) located in the rear of any "Non-Lake Lot" as provided in the Declaration. The Drainage Swale Easement shall be for drainage and flowage of storm water runoff, and the pipes and other ancillary equipment installed to provide for such drainage and flowage. Notwithstanding the foregoing, subject to approval from the Committee and the execution by Owner of a removal and indemnification agreement as may be required by the County and/or the Association, an Owner of a Non-Lake Lot that is subject to the Drainage Swale Easement (except with respect to Back to Side Lots as described below) may install a fence within the Drainage Swale Easement on such Owner's Non-Lake Lot provided that such fence is constructed in a manner that will not discharge storm water runoff from such fence onto any adjacent property (including, without limitation, any adjacent Owner's Lot or Association Property). In that regard, all such fencing approved to be constructed within the Drainage Swale Easement shall be designed and constructed in a manner that will retain all such storm water runoff on such Owner's Non-Lake Lot.
- 23. Landscape Buffer Easement. Except as expressly provided in the following sentence, and except for any Improvements, landscaping and other additions made or installed by Declarant, no planting, landscaping and/or Improvements whatsoever, including, without limitation, pool decks, patios, screen enclosures, hedges, trees, etc. shall be permitted within any Landscape Buffer Easement (as defined in the Declaration). Notwithstanding the foregoing, subject to approval from the Committee, each Owner of a Back to Side Lot may install a fence across the Drainage Swale Easement and Rear Yard Landscape Easement to the rear property line of the Back to Side Lot. No landscaping or plantings installed by Declarant may be removed from the Rear Yard Landscape Easement. Any dead, dying or decaying sod, trees, shrubs, landscaping and other plant materials within the Rear Yard Landscape Easement, for any reason whatsoever, shall be the obligation of the Owners of the Lots upon which such replacement is required and must be approved by the Committee prior to such replacement.
- 24. Review and Inspection Fees. The Committee may set, establish and charge fees ("Review and Inspection Fees") for, among other things, review of the plans and specifications for proposed Improvements and inspection of the Improvements constructed by an Owner, which review and inspection may be performed by third parties. The Committee may require such Review and Inspection Fees be paid in advance (i.e., at the time of submission of the Owner's application). In the event any Review and Inspection Fees remain unpaid by an Owner, in addition to the other rights of the Association, the Committee shall have the right, at its option, to: (i) not release the security deposit described below until all Review and Inspection Fees have been paid, or (ii) deduct all unpaid Review and Inspection Fees from any such security deposit required to be paid by such Owner. In addition (and in addition to any other remedies under and pursuant to the Governing Documents for a failure of an Owner to perform Owner's obligations), if any Review and Inspection Fees are not paid by Owner, the Board may levy an Assessment against such Owner for such unpaid Review and Inspection Fees, and said Assessment shall constitute a lien upon the applicable Lot and Home with the same force and effect as liens for Operating Expenses.
- 25. Security Deposit and Insurance. Any Owner desiring to make Improvements may be required by the Committee, depending upon the Improvements being requested and the manner of installation of such Improvements, to provide to the Committee, at the time of the Owner's submission of plans and specifications for review and approval by the Committee: (a) a security deposit in an amount determined by the Board (initially, Five Thousand and No/100 (\$5,000.00) Dollars) to cover costs of incidental damage caused to Association Property or to an adjacent Lot or Home by virtue of such Owner's construction of Improvements and/or (b) a certificate of insurance from the contractor and/or subcontractor which shall include: (i) general liability insurance for a minimum of one (1) million dollars and name Valencia Ridge Homeowners Association, Inc. as an "Additional Insured", and (ii) workers compensation or a state of Florida workers compensation exemption. Owner shall also include a provision in such Owner's contract or agreement with Owner's contractor and/or subcontractor requiring that the Association be named as an additional insured under the contractor

ADDITIONAL GUIDELINES FOR ADDITIONS AND ALTERATIONS (continued)

and/or subcontractor's general liability insurance policy. The Committee shall have the sole and absolute discretion to determine whether a security deposit and/or certificate of insurance is required for the Improvements being requested. In addition, the amount of the security deposit and/or insurance required may be increased or decreased as may be determined by the Board from time to time.

ADDITIONAL GUIDELINES FOR ADDITIONS AND ALTERATIONS - FENCES

Without limiting the generality of the criteria included on Page 3 of these Rules and Regulations and without curtailing the right of the Committee or the Board in rejecting certain requests or employing judgment in evaluating requests, the following guidelines shall be considered when evaluating requests for fences. Note that, even in the event of strict compliance with the following guidelines, prior approval from the Committee shall be required for each and every fence installation:

- 1. Aluminum rail fences in bronze color shall be only shall be the only permissible type of fencing on the Lots within the Community. Fence heights shall be four (4') feet, with pickets spaced no closer than three (3") inches on center and no thicker than one (1") inch, unless otherwise required by the Governmental Requirements. Owner may be permitted to install guard panels for small pets on the lower portion of the aluminum rail fencing to further reduce picket spacing, subject to prior written approval of the Committee and any conditions required by the Committee.
- 2. No style of wood, PVC or chain link fence shall be approved.
- 3. Owners shall not be permitted to attach any items or objects to a fence without prior written approval from the Committee.
- 4. The Association may require in its sole discretion the planting of landscaping in conjunction with the installation of a fence. To the extent a hedge or vegetative fence is approved as part of the landscaping of a lot, such hedge or vegetative fence must comply with all fencing guidelines, including, without limitation, height and location restrictions and the rules regarding providing access to the Association to perform the Association's maintenance obligations.
- 5. No fence shall be approved or installed which encroaches into Association Property or other Lots, lakes, lake maintenance easements, lake maintenance access easements, open spaces, wetland mitigation areas, preserve tracts, conservation areas and/or wetland areas.
- 6. No fence shall be approved which is not set back a minimum of 10' back from the front wall of the Home and at least 5' back from the sidewalk where applicable. No fences shall be attached to a neighbor's home. In considering requests for fence installations, the following may be taken into consideration: locations of air conditioning units; locations of garage access doors; and positions of adjacent Homes.
- 7. No fence shall be approved which extends in front of the front corner of a neighbor's home where the two Homes are immediately adjacent to each other and where both Homes face the same direction.
- 8. No fence shall be installed within the area between the front of a Home and Street, Drive or Roadway at the front of the Lot on which the Home is situated.
- 9. For fences installed on corner Lots whose rear property line is common with the adjacent Lot's side property line and/or whose side property line is adjacent to or visible from a road, a landscape hedge must be installed on the outer side of the fence within the Lot to provide screening. For fences installed on corner Lots whose side property line is adjacent to a street or road, no fences shall be permitted to cross or be installed within any utility easement which runs along such side property line without the approval of the Committee, County and the utility company occupying the easement and without a removal and indemnification agreement as may be required by the County and/or the Association.
- 10. For Back to Side Lots (as defined in the Declaration), fences may be installed across the Drainage Swale Easement and the Landscape Buffer Easement (as defined in the Declaration), subject to the approval and execution of fence removal and indemnification agreement with the Association and County and subject to all rules and regulations regarding the installation of Improvements within the Drainage Swale Easements and Landscape Buffer Easements, including those set forth in the "Additional Guidelines for Additions and Alterations."
- 11. For any fence, if approved, the Owner shall be responsible for the costs associated with any required removal, repair and/or replacement if that fence is erected on or adjacent to a lot line common with a Lot where the house is not yet under construction or, if under construction, not yet closed to the new Owner.
- 12. For Lots with drainage easements, if a fence is permitted per the Declaration, then the approval and execution of fence removal and indemnification agreement with the Association shall be required.
- 13. For any fence, if approved, the Owner shall be responsible to meet all County requirements and criteria including, but not limited to, proper permitting and surveying.

ADDITIONAL GUIDELINES FOR ADDITIONS AND ALTERATIONS – FENCES (continued)

- 14. For any fence, if approved, the Owner shall assume the responsibility to maintain the fence, including trimming any grass or other plants from the fence.
- 15. Except as otherwise provided in the Declaration, no fence shall be approved which: (i) attaches to the boundary or perimeter fence or wall located within any Open Space Area, Buffer or other Association Property; or (ii) would otherwise fence-in or enclose any portion of an Open Space Area or other Association Property.
- 16. In accordance with the Declaration, an Owner who elects to install a fence on any portion of such Owner's Lot shall be required to install access gates in locations approved by the Committee which provide adequate and sufficient access to the Association to perform the maintenance obligations. Lots shall be required to have a minimum of one (1) access gate installed in locations as determined by the Committee. Such gates shall be at least five (5') feet wide and shall be located in the rear of the Lot, or otherwise as determined by the Committee. In the event that access to any portion of a Lot by the Association becomes inaccessible or is impeded in any manner, the Owner of such Lot shall assume the full responsibility for the maintenance and care of the lawn and landscaping located within that portion of the Lot which is inaccessible to the Association, and the Association shall have no further responsibility to do so as long as the Lot remains inaccessible or access is impeded. This maintenance includes, by way of example and not limitation, cutting of the grass, maintaining of the irrigation system, fertilization, spraying, mulching, edging and replacement of sod. There shall be no reduction in the Association assessments for the Owner in return for the preceding maintenance obligation assumed by the Owner.

ADDITIONAL GUIDELINES FOR ADDITIONS AND ALTERATIONS – GENERATOR SYSTEMS

Without limiting the generality of the criteria included in these Rules and Regulations and without curtailing the right of the Committee or the Board in rejecting certain requests or employing judgment in evaluating requests, the following guidelines shall be considered when evaluating requests for a permanent emergency generator and other appurtenances applicable to the permanent generator (collectively, a "Generator System"). Note that, even in the event of strict compliance with the following guidelines, prior approval from the Committee shall be required for each and every installation of a Generator System on a Lot:

- 1. Location. No above-ground portions of a Generator System shall be permitted to be installed within any portion of the front yard of a Lot. No portion of a Generator System shall encroach onto: (a) any Association Property, (b) any other Lot in the Community, (c) any easements benefiting or burdening the Lot including, without limitation, utility easements, drainage easements, lake maintenance easements, lake maintenance access easements and encroachment easements, or (d) drainage swales on the Lot. In addition to the foregoing, the locations of the various components of the Generator System shall otherwise comply with all Governmental Requirements. The location of the Generator System shall also comply with all applicable setback requirements set forth in the Association Documents and Governmental Requirements.
- 2. Applications; Submittals. All applications to the Committee for Generator Systems shall include, in addition to other standard information: (a) the make, model and sound level ratings for all components of the Generator System, and (b) an indemnification and hold harmless agreement from the Owner(s) of the Lot in favor of the Association, the Committee and all other Owners. With the application for installation of a Generator System, the Owner shall be required to submit a survey to the Committee showing the general location and placement of all components of the Generator System. The survey shall depict (i) the location of all components of the Generator System including, without limitation, the storage tank and the distances from the Home on the Lot and the Home(s) adjacent to the Lot on the side(s) where the Generator System or any portion thereof is to be installed, (ii) the size and layout of the slab that the physical generator will be installed on, (iii) the location of all easements and applicable setbacks affecting the Lot to show that no portion of the Generator System encroaches thereon, and (iv) the location and size and species of any screening to be installed to screen the above-ground portions of the Generator System as required below.
- Screening. Generators shall at all times be screened from view by all adjacent Lot Owners and from the street using hedges as determined by the Committee. Owner shall submit a landscaping/screening plan to show proper screening of the Generator.
- 4. Compliance with Governmental Requirements. For any Generator System approved by the Committee, the Owner shall at all times be responsible to comply with all Governmental Requirements relating to the installation and use of the Generator System including, without limitation, applicable setback requirements and maximum sound level restrictions. In that regard, all approvals for a Generator System shall require the Owner to obtain all necessary building permits and other approvals required by the Governmental Requirements. Regardless of an approval by the Committee, no Generator System may be installed or used without such building permits and approvals. No portion of an Owner's Security Deposit shall be returned to an Owner unless and until evidence satisfactory to the Committee of such compliance with Governmental Requirements has been delivered to the Committee.
- 5. Underground Plumbing. A licensed and insured LP gas contractor must be used to install any necessary plumbing and/or any connections to existing gas lines on the Lot.
- 6. Maintenance. All Generator Systems must be regularly and properly maintained, repaired and replaced, as applicable, by the Owner of the Lot on which such Generator System is installed.
- 7. Required Removals. For any Generator System, if approved, the Owner shall be responsible for the costs associated with any required removal, repair and/or replacement if the Generator System is erected on or adjacent to a lot line common with a Lot where the house is not yet under construction or, if under construction, not yet closed to the new Owner.
- 8. Limitations. Not all Lots in the Community may be able to have Generator System installed thereon due to, among other things, the Governmental Requirements, applicable setback requirements, location of easements and the size or configuration of the Lot. Accordingly, even if an application for a Generator System is approved by the Committee, there is no guarantee that a particular Lot will accommodate a Generator System thereon. Accordingly, each Owner shall be responsible to confirm that their Lot can accommodate a Generator System prior to making application to the Committee and/or applying for any necessary permits and approvals.

MAINTENANCE AND APPEARANCE OF HOMES

- 1. General. Each Owner shall keep and maintain such Owner's Home and Lot in good order, condition and repair, and shall perform promptly all maintenance and repair work within the Home and Lot which, if omitted, would adversely affect the Community, other Owners or the Association. Maintenance obligations are more fully defined in the Declaration.
- 2. Personal Property. The personal property of an Owner shall be stored inside such Owner's Home or garage and not be visible to surrounding neighbors or from Association Property.
- 3. Hurricane Season. Each Owner who plans to be absent from such Owner's Home during the hurricane season shall prepare such Owner's Home and Lot prior to departure by removing all furniture, potted plants and other movable objects, if any, from the covered patio or screen enclosure area and from the outside of the Home. The Owner shall also designate a responsible firm or individual satisfactory to the Association to care for the Home and Lot should it suffer hurricane damage and shall furnish the Association with the name of the designated firm or individual.
- 4. Hurricane Shutters. No hurricane shutters shall cover window or door openings except during periods of a hurricane watch or a hurricane warning that impacts the Community. Any removable tracks which have been installed by Declarant (if any) or approved by the Committee as part of a hurricane shutter package shall not remain installed on a Home other than during periods of a hurricane watch or a hurricane warning. An Owner shall remove any removable type of hurricane shutters attached to the Home immediately after a hurricane watch or a hurricane warning has been lifted. In that regard, if an Owner installs removable hurricane shutters on the Home during a hurricane watch or a hurricane warning and thereafter leaves the Home, that Owner must either: (a) immediately return to the Home after the hurricane watch or hurricane warning has been lifted and remove such hurricane shutters from the Home; or (b) make arrangements for another individual to remove such hurricane shutters from the Home immediately after the hurricane watch or hurricane warning has been lifted. The color of hurricane shutters must be consistent with the color scheme of the Home. The installation of hurricane shutters, other than those provided by Declarant (if any), shall require Committee approval.
- 5. Window Decor. Window treatments (drapery, blinds, decorative panels or other tasteful window coverings) are permitted, however, the color of any portions of a blind, decorative panel or window treatment which are visible from the exterior of the Home must be neutral and otherwise consistent with the color scheme of the existing improvements. No newspaper, aluminum foil, sheets or other temporary window treatments are permitted, except for periods not exceeding two (2) weeks after an Owner first moves into a Home, or when permanent window treatments are being cleaned or repaired.
- 6. Landscape Material. No trees, shrubbery or landscaping shall be removed from, altered or added to Lots without the prior written consent of the Committee, provided, however, no Owner may remove (and the Committee shall not approve removal of) any landscape material installed by the Declarant in the Rear Yard Landscape Easement of a Home except only to replace dead, damaged, dying or decaying material in which event such dead or dying material shall be replaced by Owner with replacement material of similar size and species of that being replaced. No additional trees, shrubbery or landscaping are permitted to be planted by an Owner on the Lot or Association Property without the prior written consent of the Committee. Replacement of dead, dying or decaying sod, trees, shrubs, landscaping and other plant materials within the Lots regardless of the reason whatsoever, shall be the obligation of the Owner of the Lot upon which replacement is required. Such replacement shall be with replacement material of similar size and species of that being replaced unless approved by the Committee.
- 7. Landscape Maintenance. Except only for the Home Landscaping Services (as described in the Declaration) to be performed by the Association in accordance with the Governing Documents, Owner shall maintain, repair and replace all landscaping on such Owner's Lot. The levels of service and schedule of services for the Home Landscaping Services (as described in the Declaration) shall be determined by the Board from time to time. The Home Landscaping Services initially will include mowing sod, landscape trimming, tree trimming (for hardwood trees only up to eight (8') feet in height and palm trees only up to twelve feet (12') in height), weeding, fertilization, exterior lawn pest control spraying, and mulching (two (2) time per calendar year). Notwithstanding the obligation of the Association to perform the Home Landscaping Services, any replacement of dead, dying or decaying sod, trees, shrubs, landscaping and other plant materials within the Lots, for any reason whatsoever, shall be the obligation of the Owners of the Lots upon which such replacement is required. Such replacement shall be with replacement material of similar size and species if the being replaced unless approved by the Committee. The Association may, at its option, discontinue replacing sod on the Lots, in which event the replacement of any sod on the Lots would become the responsibility of the Owners. In the event that

MAINTENANCE AND APPEARANCE OF HOMES (continued)

the Committee approves any additional trees, shrubbery or landscaping to be installed on the Lot which was not initially installed by Declarant, the Association's Home Landscaping Services will not include the maintenance and care of such additional material.

- 8. No Alteration of Drainage. No sod, artificial turf, topsoil, fill or muck shall be removed from or added to Lots without the prior written consent of the Committee. No change in the condition of the soil or the level of land shall be made which would result in any permanent change in the flow or drainage of surface water within the Community or on the Lot.
- 9. Air Drying. No linens, cloths, clothing, curtains, rugs, mops, laundry of any kind or other articles shall be hung, dried or aired from any window, door, fence or balcony, or in such a way as to be visible to any other Owner. Clotheslines may be approved if reasonable in size, style, location and effectiveness with respect to appearance from adjacent lots and rights of way.
- 10. Basketball Hoops. No permanent basketball hoops are permitted to be installed on the Lot. Temporary or mobile basketball hoops shall not be permitted except for temporary moveable units that are stored in a garage when not in use. When not stored, units must be located such that the base and rim are entirely within the Lot and not in the right-of-way bounding the Lot.
- 11. Bicycles. All bicycles, other than those which are being used, shall be stored within the garage of the Owner's Home.

TRASH AND OTHER MATERIALS

- 1. No rubbish, trash, garbage, refuse, tree limbs, grass clippings, hedge trimmings or other waste material ("Trash") shall be kept or permitted on the Lots or Association Property except in sanitary containers located in appropriate areas (i.e., areas not visible from the street or any other Lot other than at times of scheduled curbside Trash pick-up). For curbside pickup, Trash shall be placed in sanitary self-locking containers.
- 2. Trash that is required to be placed at the front of a Lot in order to be collected may be placed and kept at the curb after 5:00 p.m. on the day before the scheduled day of collection, but not sooner. Any trash containers shall be removed after pick up on the day of collection and in no event shall a Trash can be left outside of the garage overnight.
- 3. No odors shall be permitted to arise from Trash containers so as to render any portion of the Community unsanitary, offensive or a nuisance to any Owners, to the Association Property or to any other property in the vicinity.
- 4. No stripped-down vehicles, lumber or other building materials, grass, tree clippings, metals, scrap, automobile pieces or parts, refuse or Trash shall be stored or allowed to accumulate on any portion of the Community.
- 5. Each Owner shall regularly pick up all Trash around the Home and Lot.

PARKING AND VEHICULAR RESTRICTIONS

- 1. Parking shall be permitted only on driveways, inside garages or in areas specifically designated as "parking areas" by the Association. No parking shall be permitted on sidewalks. No parking on the streets or swales is permitted.
- 2. No vehicle or other possessions belonging to an Owner or to an Owner's Occupant shall be positioned in such a manner as to hinder, impede or obstruct: (a) ingress or egress to any other Owner's driveway, (b) passage across or within sidewalks and/or (c) traffic on the streets of the Community.
- Only vehicles belonging to authorized persons actively using the Recreation Tract are permitted to be parked in the Recreation Tract parking spaces. The parking spaces in the Recreation Tract shall not be utilized for parking other than during periods of use of the Recreation Tract by the vehicle's owner.
- 4. No overnight parking of boats and commercial vehicles is allowed unless within the garage of the Home and with the garage door closed. Trailers, motor homes and recreational vehicles shall not be parked in the Community.
- 5. No commercial vehicles, or campers, mobile homes, motor homes, house trailers or trailers of every other description, recreational vehicles, trucks larger than a full-size pick-up truck, boats, boat trailers, horse trailers or vans, shall be permitted to be parked or to be stored at any place on the Lot, except in: (i) enclosed garages, and (ii) spaces for some or all of the above specifically designated by Declarant or the Association, 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; however, the presence of such graphics or lettering shall create a presumption that the vehicle is commercial unless otherwise determined by the Board. The prohibitions on parking contained in this Section shall not apply to: (i) temporary parking of trucks and commercial vehicles for contractors or vendors while performing work for an Owner on such Owner's Lot, such as for temporary construction use or providing pick-up and delivery and other commercial services; (ii)passenger-type vans with windows for personal use which are in acceptable condition in the sole opinion of the Board (which favorable opinion may be changed at any time); and/or (iii) any vehicles of the Declarant or its affiliates and/or any of their respective employees, contractors, subcontractors and/or agents.. All Owners and other occupants of Homes are advised to consult with the Association prior to purchasing, or bringing onto the Lot, any type of vehicle other than a passenger car inasmuch as such other type of vehicle may not be permitted to be kept within the Community. The determination of what constitutes a commercial vehicle shall be made by the Board in the Board's sole and absolute discretion.
- 6. No repairs of vehicles shall be made within the Community unless the repairs take less than twenty-four (24) hours. The only exceptions to the preceding shall be: (a) emergency repairs; and, (b) repairs made within the garage of the Home and with the garage door closed.
- 7. Disposal of drained automotive fluids is not allowed within the Community.
- 8. All vehicles shall be kept in proper operating condition so as not to be a hazard or a nuisance by noise, exhaust emission, appearance or otherwise. Vehicles which cannot operate under their own power and/or which remain within the Community for more than seventy-two (72) hours shall be towed at the Owner's expense, unless parked on the Owner's driveway or inside the Owner's garage.
- 9. No Owner shall keep any vehicle on the Lot which is deemed to be a nuisance by the Board.
- 10. No Owner shall perform restorations of any motor vehicle, boat or other vehicle within the Community unless made within the garage of the Home and with the garage door closed.
- 11. Car washing shall be permitted only on an Owner's driveway.
- 12. Owners shall maintain a current registration and all required insurance coverages for all vehicles parked within the Community.

13. Golf Carts:

a. No gasoline-powered golf carts shall be operated within the Community, except as may be owned and operated by the Declarant or the Association. All other golf carts shall be powered by electricity or by similar non-combustion means. When not in use, golf carts shall be parked or stored within the garage of the Home and with the garage door closed.

PARKING AND VEHICULAR RESTRICTIONS (continued)

- b. Golf carts may only be operated upon the paved roadways located within the Community. Operators of golf carts shall abide by all traffic regulations applicable to vehicular traffic and shall operate their golf cart in accordance with all manufacturers' and other safety recommendations. The operator shall not impede the flow of traffic. The Association may restrict, prohibit or regulate the use of golf carts upon heavily traveled roadways within the Community if the Association determines such use is incompatible with the normal and safe movement of traffic.
- c. Any person operating a golf cart within the Community shall carry and maintain a valid driver's license. Golf carts may be operated only during the hours between sunrise and sunset, unless the golf cart is equipped with headlights, brake lights, turn signals and a windshield. Each owner of a golf cart operated within the Community shall keep the golf cart in good condition and appearance. Each golf cart shall be equipped with efficient brakes, reliable steering apparatus, safe tires, a rearview mirror and red reflectorized warning devices in both the front and rear. No owner of a golf cart may modify their golf cart in a manner that affects the recommended mode or operation, speed or safety of the vehicle. Appropriate written warnings and/or violations will be issued where deemed appropriate or necessary by the Association. The issuance of two written warnings or violations will suspend an Owner's golf cart privileges for one year. Five such warnings and/or violations within one year will permanently revoke such Owner's golf cart privileges within the Community.
- d. Each Owner (regardless of whether the Owner is the operator) and each operator of a golf cart (regardless of whether they are owner of the golf cart) will be responsible, jointly and severally, for any and all damage to property and injuries to persons (including death) caused by and/or resulting from its ownership and/or operation of a golf cart in the Community. Accordingly, EACH SUCH OWNER AND OPERATOR, JOINTLY AND SEVERALLY, SHALL AND HEREBY AGREES TO, INDEMNIFY AND HOLD HARMLESS THE ASSOCIATION, THE BOARD, DECLARANT AND THE OTHER MEMBERS OF THE ASSOCIATION, FROM AND AGAINST ANY AND ALL LOSSES, CLAIMS, DEMANDS, SUITS, ACTIONS, CAUSES OF ACTION, LIABILITIES (INCLUDING, WITHOUT LIMITATION, PROPERTY DAMAGE, PERSONAL INJURY AND/OR DEATH), JUDGMENTS, DAMAGES (INCLUDING, WITHOUT LIMITATION, SECONDARY, INCIDENTAL, CONSEQUENTIAL AND/OR PUNITIVE DAMAGES), FINES, LIENS, ENCUMBRANCES, PENALTIES, COSTS AND EXPENSES OF WHATEVER NATURE OR KIND (INCLUDING, WITHOUT LIMITATION, LEGAL FEES) RELATED TO, ARISING OUT OF AND/OR RESULTING FROM THE OWNERSHIP, OPERATION, MAINTENANCE AND/OR USE OF A GOLF CART IN THE COMMUNITY.
- 14. All Owners, their family members, guests, invitees and tenants will obey the parking regulations imposed and/or posted by the Association in the private streets, parking areas and drives, and any other traffic regulations promulgated in the future, for the safety, comfort and convenience of Owners.
- 15. The operation of motorized scooters, go-carts, and other non-licensed or non-registered vehicles shall be prohibited in the Community except: (a) non-licensed and non-registered wheelchair or similar vehicles may be used for the transportation of disabled persons; and (b) golf carts which may be operated within the Community in accordance with the rules and regulations set forth herein.
- 16. The Board shall make a reasonable attempt to give notice to the owners of offending vehicles. If such vehicle is not removed or if the violation is not corrected, the Board may have the offending vehicle towed at the expense and risk of the owner of the vehicle. Neither the Board nor Declarant 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.

ANIMALS AND PETS

- 1. Ordinary house pets are permitted, subject to the guidelines contained herein. Ordinary house pets shall include dogs (except Pit Bulls, Rottweilers, Presa Canarios (canary dog) and "Dangerous Dogs" all as provided in the Declaration), cats, caged domesticated birds, hamsters, gerbils, guinea pigs, aquarium fish, small snapping turtles and tortoises, domesticated rabbits and pets normally maintained in a terrarium or aquarium. The Board may determine in its discretion, a maximum number of pets permitted per household.
- 2. Under no circumstances shall a Pit Bull, Rottweiler, Presa Canario (canary dog) or Dangerous Dog be permitted on the Property. As used in the Declaration: (i) a "Pit Bull" is defined as any dog that is an American Pit Bull Terrier, American Staffordshire Terrier, Staffordshire Bull Terrier, or any dog displaying a majority of the physical traits of any one (1) or more of the above breeds, or any dog exhibiting those distinguishing characteristics which substantially conform to the standards established by the American Kennel Club or United Kennel Club for any of the above breeds; and (ii) a "Dangerous Dog is defined as a dog which meets any one (1) of the following criteria: (a) has aggressively bitten, attacked, endangered or has inflicted severe injury on a human being at any time whether on or off the Property, (b) has severely injured or killed a domestic animal at any time whether on or off the Property, or (c) has, when unprovoked, chased or approached any person upon the Streets, Drives, Roads, Avenues, Roadways and/or Sidewalks, or any other portion of the Property in a menacing fashion or apparent attitude of attack; provided, however, a dog shall not be a "Dangerous Dog" if the threat, injury, death or damage was sustained by a person who, at the time, was unlawfully on the Property (or any portion thereof), or, while lawfully on the Property (or any portion thereof), was tormenting, abusing or assaulting the dog or its owner or a family member, or its handler; provided further, that no dog may be a "Dangerous Dog" if the dog was protecting or defending a human being within the immediate vicinity of the dog from an unjustified attack or assault.
- 3. Notwithstanding the foregoing, breeding of any animals or pets, including ordinary house pets, or any other keeping of pets for any commercial purpose whatsoever within the Community is prohibited.
- 4. Unusual pets shall not be kept, raised, bred or maintained on any portion of the Community, including the Home, Lot and Association Property. Unusual pets shall include, by way of example and not limitation, those animals not generally maintained as pets, such as poultry, livestock, horses, large reptiles, anthropoids, felines other than cats, canines other than dogs, rodents, birds and other creatures other than those listed in Paragraph 1 above, or not maintained in a terrarium or aquarium. Pit Bulls, Rottweilers, Presa Canarios (canary dog) and Dangerous Dogs (all as provided in the Declaration) are also classified as unusual pets and are, therefore, prohibited. Free-ranging domestic animals (i.e., domestic animals that spend all or a portion of their time outdoors where they may prey on wildlife) are also prohibited and shall not be kept, raised, bred or maintained on any portion of the Community, including the Home, Lot and Association Property
- 5. Pet owners are responsible for any property damage, personal injury or disturbance which their pet may cause or inflict. Each Owner who determines to keep a pet agrees to indemnify the Association and hold the Association harmless against any loss or liability of any kind or character whatsoever arising from or growing out of such Owner's having any animal in the Community.
- 6. Pets shall not be left unattended outside the Home. No pet shall be kept tied up outside of a Home or in any covered or screened porch or patio, unless someone is present in the Home.
- 7. All dogs and cats shall be walked on a leash and in full control by their owners at all times. Any pet shall be carried or kept on a leash when outside of a Home or outside of a fenced-in area.
- 8. Any solid animal waste shall be immediately picked up and removed and shall not be deposited on or within the Association Property.
- 9. All pets shall have and display, as appropriate, evidence of all required registrations and inoculations and the name and address of its owners.
- 10. Every female animal, while in heat, shall be kept confined in the Home by its owner in such a manner that she shall not be in contact with another animal nor create a nuisance by attracting other animals.
- 11. If any pet becomes obnoxious to the Owners by barking or otherwise, the owner of the pet shall cause the problem to be corrected. If the problem is not corrected, then the Owner, upon written notice from the Association, shall be required to rehome the animal.
- 12. No Owner shall inflict or cause cruelty upon or in connection with any pet.

ANIMALS AND PETS (continued)

13.	The	foregoing	are i	n addit	ion to	the	other	rules,	regulations	and	restrictions	governing	animals	and	pets	set
	forth	in the Go	vernir	ig Docu	ument	S.			_			•			•	

USE AND ENJOYMENT OF LAKES

- 1. Owners shall be permitted to engage in "catch and release" fishing in the Lakes. Notwithstanding the preceding, an Owner shall only access a Lake for fishing from the Lake Maintenance Easement which immediately abuts such Owner's Lot if such Owner's Lot is a Lake Lot. If the Owner's Lot is not a Lake Lot, or if an Owner of a Lake Lot wishes to access a different Lake or another area of the same Lake, then access to the Lake shall be exclusively from the Lake Maintenance Easement area abutting Association Property. If no portion of a Lake Maintenance Easement abuts Association Property, Owners other than Lake Lot Owners whose Lots abut the Lake shall not be permitted access to the Lake.
- 2. No Owner shall be permitted access to or to fish from any Lake Maintenance Easement or Lake Bank area which immediately abuts a Lake Lot owned by another Owner.
- 3. Lake Lot Owners shall be permitted to operate non-motorized and electric watercraft in the Lakes immediately abuts such Owner's Lot. No other persons shall be entitled to operate watercraft in the Lakes. Watercraft size shall be limited in size to 18' in length.
- 4. No planting, fencing or other improvements or additions to the grassed area surrounding the lake and outside the Lot is permitted.
- 5. No installation of sand or other materials intended to simulate a beach is permitted along the Lake banks or within the Lake Maintenance Easements along the rear yards of Lake Lots.
- 6. Swimming and the operation of fuel-powered watercraft in the Lakes are prohibited.
- 7. No watercraft (including watercraft permitted to be used within the Lakes of the Community) or trailers may be stored on Lake Banks, Lake Maintenance Easements or Lake Maintenance Access Easements within the rear yard of a Lot or otherwise visible in any manner on a Lot.
- 8. In no event shall any Owner cause any erosion or change in grade of any Lake bank slope from design grade.
- 9. Littoral plantings are installed in accordance with the permitting requirements of the Florida Water Management District and may not be altered, relocated, destroyed, damaged or removed by an Owner.

LEASING OF HOMES

- 1. No portion of a Home, other than an entire Home, shall be rented by the Owner. No Home, or portion thereof, shall be sub-let.
- 2. All leases shall provide that the right of the tenant to use and occupy the Home and the Association Property shall be subject and subordinate in all respects to the provisions of the Governing Documents.
- 3. All leases shall provide, and if they do not so provide then the leases shall be deemed to provide, that the Association shall have the right to terminate the lease upon the tenant's failure to observe any of the provisions of the Governing Documents.
- 4. Each Owner shall be required to use a lease addendum which provides, among other things, that the tenant will pay the rent due under the lease directly to the Association upon receipt of notice from the Association that the Owner is delinquent in amounts due the Association. Even if such lease addendum is not included, each lease entered into by Owner for a home shall be deemed to include the foregoing reference.
- 5. All leases shall provide for a minimum lease term of seven months. No lease shall provide for an early lease termination which would reduce a lease term to a period of less than seven months except in the event of a default by the tenant. No Home may be rented more than one (1) time during any twelve (12) month period.
- 6. The Owner of a leased Home shall be jointly and severally liable with Owner's tenant for compliance with the Governing Documents and to the Association to pay Assessments and/or any claim for injury or damage to persons or property caused by the acts or omissions of the tenant and/or those for whom the Owner is responsible.
- 7. No Owner may lease the Home unless at least one of the intended occupants is fifty-five (55) years of age or older at the time of the occupancy. Any Owner who leases the Home shall submit an age verification form to the Association prior to the effective date of such occupancy. The Board, however, shall have the right, in its sole discretion, to waive this requirement based upon criteria included in the Declaration but not if more than twenty percent (20%) of the Homes will not have at least one occupant fifty-five (55) years of age or older.
- 8. The Owner shall provide the Association with a copy of all executed leases in their entirety for the Home.
- 9. A person occupying a home for more than one (1) month without the Owner or tenant or a member of the Owner's or tenant's family being present shall not be deemed a guest, but rather, shall be deemed a tenant for purpose of the provisions of the Declaration and these Rules and Regulations which apply to tenants.

MISCELLANEOUS RULES AND REGULATIONS

- Signs. No sign, display, poster, advertisement, notice or other lettering whatsoever (including, without limitation, "For Sale", "For Rent" or "By Owner" signs) shall be exhibited, displayed, inscribed, painted or affixed in public view of any portion of a building, vehicle or other Improvement in the Community (including, without limitation, a Home) without the prior written approval of the Board, which approval may be given, conditioned, withheld or denied in the sole and absolute discretion of the Board. Notwithstanding anything to the contrary contained in these Rules and Regulations, the Board shall not approve any sign, display, poster, advertisement, notice or other lettering which is or in the nature of a "For Sale", "For Rent", "By Owner" or any other similar sign for the sale or renting of a Home for so long as Declarant owns a Lot in Valencia Ridge or so long as Declarant or any of Declarant's affiliates (or any of their respective successors or assigns) are conducting sales and marketing of Homes in the Community or other communities developed or marketed by Declarant or its affiliates, whichever is later.
- 2. Barbecuing. If Owners barbecue on covered or screened patios or at a close distance away from the Homes, then those Owners shall take responsibility to clean or paint over any smoke discoloration which may result from such activities.
- 3. Chemicals. Except as otherwise specifically provided herein, Owners shall not keep any flammable, combustible or explosive fluids, fuels, chemicals or substances in any Home, its adjacent yard area or within the Association Property. No above-ground propane or other fuel storage tanks shall be permitted except only for customary propane tanks associated with barbecue grills or self-contained firepit tables. Any such propane tanks shall be maintained in accordance with the prescribed use and safety instructions but in no event shall they be installed or stored on Association Property. Substances used for normal household or yard maintenance use are permitted on the Lots and shall be maintained in accordance with the prescribed use and safety instructions but in no event shall they be installed or stored on Association Property.
- 4. Moving. Owners or tenants who are moving in or out of the Community shall do so between the hours of 8:00 am and 9:00 p.m. Portable self storage containers are permitted but may not be stored outside of the Home for more than 48 hours. Portable self storage containers shall be placed entirely within the Lot and not in the right-of-way bounding the Lot. At no time shall such units be placed on Association Property.
- No Solicitation. All door-to-door commercial solicitation is prohibited. Placing of materials in mailboxes or on or within any portion of the Homes or Lots is strictly prohibited unless express written permission is granted by the Board.
- 6. Use of Resident Roster. The resident roster maintained by the Association pursuant to Chapter 720, Florida Statutes, which contains information concerning each members' official mailing address and parcel identification, shall only be used for official Association purposes and may not be used by any Owner for their own political, charitable, or business purposes.
- 7. Hunting, Trapping or the Possession/Use of Firearms. Hunting, trapping, or the possession/use/discharge of firearms, including but not limited to, hand guns, rifles, shotguns, BB guns, pellet guns, paint guns, slingshots and bows and arrows, are not permitted anywhere in the Community including, without limitation, the Conservation and Preserve Areas and Archeological Sites. This rule shall not prohibit an Owner from keeping a lawful firearm: (a) in such Owner's Home, or (b) on such Owner's person strictly in accordance with a lawfully issued Florida concealed weapons license.
- 8. No Owner shall: (i) enter the Conservation and Preserve Tracts and Archeological Sites, (ii) alter, relocate, destroy, damage or remove objects or vegetation from the Conservation and Preserve Areas and Archeological Sites (or any portion thereof), or (iii) engage in any activities prohibited in any permits, approvals, conservation easements and other instruments recorded against and/or pertaining to the Conservation and Preserve Areas and Archeological Sites.
- 9. Garage/Yard Sale. No Owner shall be permitted to conduct or hold a garage sale, yard sale, tag sale or other similar sale from any portion of their Lot.
- 10. Unmanned Aerial Vehicles/Drones. Owners are prohibited from using unmanned aerial vehicles including, without limitation, drones (collectively, "UAVs"), except to the extent permitted by the Rules and Regulations of the Community Association.

MISCELLANEOUS RULES AND REGULATIONS (continued)

11. Recording and Broadcasting of Association Meetings. Owners shall provide not less than twenty-four (24) hour advance written notice to the Board expressing their desire to utilize any audio or video equipment at an official meeting of the Board or an official meeting of the Owners (collectively, "Association Meetings"). The only audio and video equipment and devices which Owners are authorized to utilize at any such meeting is equipment which does not produce distracting sound or light emissions. All audio and video equipment shall be assembled and placed in position in advance of the commencement of Association Meetings. Owners videotaping or audio recording Association Meetings shall not be permitted to move about the meeting room in order to facilitate the audio or video recording. Owners who have audio or video recorded an Association Meeting shall not share such audio or video recording with non-Owners. Live streaming and/or broadcasting of Association Meetings, including, without limitation, through Periscope, Twitter, Instagram, Facebook Live, or other similar social media platforms, is prohibited. These rules only apply to official Board meetings, Annual Members' Meetings and Special meetings of the Members scheduled in accordance with the Valencia Ridge Documents; thus, no other meetings may be recorded, live streamed and/or broadcasted in any manner whatsoever.

GENERAL USE OF ASSOCIATION PROPERTY AND RECREATION AREAS

"Recreation Areas", as used herein, shall mean and refer to the Recreation Tract (as defined in the Declaration) and any portion thereof, including without limitation, recreation amenities, facilities and equipment located thereon and therein.

1. Responsibility:

- a. ALL PERSONS USING ASSOCIATION PROPERTY, INCLUDING BUT NOT LIMITED TO THE RECREATION AREAS SHALL DO SO AT THEIR OWN RISK. The Association and its Board assumes no responsibility for any accident or personal injury or for any loss or damage to personal property arising out of or in connection with the use of Association Property, including but not limited to the Recreation Areas or any portion thereof. Persons using Association Property, including but not limited to the Recreation Areas, agree not to hold the Association or the Board liable for actions of any kind or nature whatsoever occurring on or within the Association Property, including but not limited to the Recreation Areas.
- b. With respect to the use of Association Property, including but not limited to the Recreation Areas, an Owner shall be held responsible for his/her actions and the action and conduct of such Owner's family members, guests, invitees and tenants. Decorum, good conduct and safety shall be observed and shall be strictly enforced.
- c. Any damage to Association Property, including but not limited to the Recreation Areas, which is caused by any Owner or family member, guest, invitee or tenant of the Owner shall be repaired or replaced at the expense of the Owner.
- d. The use of the Association Property, including but not limited to the Recreation Areas by persons other than an Owner or the family members, guests, invitees or tenants of the Owner is strictly prohibited and shall be at the risk of those involved and not, in any event, the risk of the Association or its manager.
- e. The Association shall not be responsible for any personal injury (including, without limitation, death) or any loss or damage to personal property within Association Property, including but not limited to the Recreation Areas regardless of where such property is kept, checked, left or stored on the premises.
- f. The Association shall have the right to require Owners (on behalf of themselves and their family members) and Owners' guests, invitees and tenants (on behalf of themselves and their family members) to execute a Recreational Amenities Release and Waiver in a form acceptable to Association prior to: (i) use of the Recreation Areas, and/or (ii) participation in any activities sponsored, promoted or set up by the Association.

2. General Use Restrictions:

- a. The Association Property, including, but not limited to the Recreation Areas any portions thereof, and all facilities and amenities located thereon, shall be solely for the use of the Owner and such Owner's family members, guests, invitees or tenants, subject to the provisions of the Governing Documents. The Association retains the right to limit the number of guests or invitees per household that are permitted to (i) use the Recreation Areas, and/or (ii) participate in any activities sponsored, promoted and/or set up by the Association.
- b. The Association shall have the right to require that all guests and invitees register and/or obtain a guest pass or other authorization prior to the guests' and invitees' use of the Recreation Areas and/or participation in any activities sponsored, promoted or set up by the Association.
- c. Residents shall accompany and remain with their guests and invitees to the Recreation Areas. Without the prior written approval of the Board, and with the exception of parties and events as permitted by the Rules and Regulations, no more than four (4) guests or invitees of a single "Household" (as herein defined) are permitted to use the Recreation Areas at any one time. For purposes of this paragraph, the term 'Household" shall mean an Owner and/or tenant and the Owner's and/or tenant's family members residing in the Owner's and/or tenant's Home.
- d. The use of the Recreation Areas and/or any other portion of the Association Property, for any private use shall be submitted for prior approval to the Board or its manager. For this purpose, "private use" shall include, by way of example but not limitation, any of the following: private lessons (such as tennis lessons or swimming lessons), group lessons, instructional classes, aerobic classes, weight training instruction, exercise classes (including karate or other martial art classes), social meetings, fraternal meetings, political meetings, religious group meetings, parties, socials, barbecues, seminars, educational classes, computer training courses and motivational speakers.

GENERAL USE OF ASSOCIATION PROPERTY AND RECREATION AREAS (continued)

- e. The use of the Recreation Areas by an organized team (i.e., school teams, municipal recreation league teams, etc.) as a practice or scrimmage court, facility, field or area is strictly prohibited.
- Except for the Dog Park, Pets shall not be permitted in the Recreation Areas.
- g. The walkways and entrances of the Association Property, including, but not limited to the Recreation Areas, and facilities located thereon and therein shall not be obstructed or used for any purpose other than ingress and egress.
- h. No grilling, barbecuing or cooking of food shall be permitted within the Association Property except in those areas designated for such purposes by the Association.

3. Cleanliness:

- a. It is prohibited to litter or cause debris to be put in any of the Association Property, including the Recreation Areas. Owners shall cause to be removed or disposed of all rubbish, garbage, trash, refuse or other waste materials generated during their respective use within any Recreation Areas or other Association Property.
- b. No personal articles shall be allowed to stand overnight in any of the Association Property.
- c. No garbage cans other than those provided by the Association, supplies, water bottles or other articles shall be placed or left within in the Association Property, including but not limited to the Recreation Areas.
- 4. The Board has and reserves the right, from time to time and in its sole discretion, to create, adopt, impose, alter or amend rules and regulations relating to the use of any portion of the Association Property, including, but not limited to, the Recreation Areas, the Clubhouse and the facilities and/or amenities therein.

RULES FOR THE CLUBHOUSE

1. Clubhouse Use:

- a. Clubhouse hours shall be 7:00 A.M., to 11:00 P.M. Time extensions for social or community events may be granted at the discretion of the Board or, if applicable, the Social Director. Activities outside the Clubhouse shall not be allowed after 8:00 p.m. (Monday through Thursday) and 9:00 p.m. (Friday through Sunday) without the prior approval of the Board. The foregoing time restrictions shall not apply to activities which have been organized by the Association.
- b. All persons sixteen (16) years of age and younger shall be accompanied by an Owner or supervising adult twenty-one (21) years of age or older when using the Clubhouse amenities. Notwithstanding the foregoing, such persons sixteen (16) years and younger may be restricted from entering specified areas within the Clubhouse as designated by the Board from time to time.
- c. Fitness Lessons and Instructions. Only the Fitness Director (or its agents), or, where no fitness agreement is in place, such person or persons designated by the Association, shall be permitted to provide and conduct fitness classes, personal training, swimming lessons and other personal instruction within the Clubhouse and related outdoor amenities.
- d. The Clubhouse shall not be used at any time for religious services by any sect, cult or group with the following exception: In the spirit of respect and togetherness, a table decoration of a lighted Chanukah Menorah and a Christmas tree, not to exceed eight (8) feet in height, may be displayed in the Clubhouse during the December holiday season.
- e. All belongings shall be removed from the Clubhouse when leaving. The Association and its Board shall not be responsible for belongings lost or stolen.
- f. No immoral, offensive or unlawful use shall be made of the Clubhouse. All Governmental Requirements shall also be strictly observed.
- g. Equipment and supplies shall not be stored in any location other than as specifically approved in writing by the Board or, if applicable, the Social Director.
- h. No signs, notices or photos shall be posted on any of the walls or windows of the Clubhouse, other than on bulletin boards, if made available by the Association for that specific purpose. All postings must first be approved by the Board.
- i. All community events and meetings shall supersede the use of all other events throughout the Clubhouse.
- j. No outside food and beverages other than bottled water are permitted within the Clubhouse and related exterior amenities (i.e., covered patio, poolside bar, pool deck, etc.).
- k. All alcoholic beverages consumed within the Clubhouse and related exterior amenities (i.e., covered patio, poolside bar, pool deck, etc.) must be purchased from the Association's restaurant operator. Owners and their Occupants are not permitted to bring their own alcoholic beverages for consumption to the Clubhouse and related exterior amenities (i.e., pool deck, etc.). Alcoholic beverages may only be consumed in designated areas as approved by the Board from time to time. Alcoholic beverages shall not be served to anyone under the age of 21 or to intoxicated persons.
- I. Tables located on the covered patio and poolside bar area are reserved exclusively for the restaurant's use during hours when the restaurant is open for business. Such tables are not to be used for game play (including, without limitation, card games, mahjong, canasta, etc.).

2. Code of Conduct for the Clubhouse:

- a. No smoking or vaping (including e-cigarettes) in the Clubhouse or any rooms therein shall be allowed.
- b. No food or beverages other than bottled water are permitted in the card rooms.
- c. No breakable containers shall be permitted outside the restaurant and lounge.
- d. Proper attire shall be worn in the Clubhouse.
- e. Bare feet, bare chests and swimsuits shall be prohibited in the Clubhouse, other than to use the locker room facilities provided that entry to and exit from the Clubhouse is through the door adjacent to the locker rooms directly accessing the Pool Area (as hereinafter defined).
- f. An Owner shall be responsible for repair and/or replacement costs incurred as a result of deliberate, careless or irresponsible behavior resulting in damage to the Clubhouse furniture, accessories, appliances and/or any related equipment caused by the Owner and Owner's family members, tenants, guests, invitees and others for whom the Owner is responsible.

RULES FOR THE CLUBHOUSE (continued)

- g. Boisterous or profane language shall not be used in the Clubhouse.
- 3. Rules for Use of Fitness Center and Exercise Studio:
 - a. Fitness Center and Exercise Studio hours shall be as established by the Board from time to time
 - b. All personal belongings shall be removed from the Fitness Center and Exercise Studio when leaving. The Association and its Board shall not be responsible for belongings lost or stolen
 - c. All equipment shall be used at the risk of the person exercising.
 - d. All persons must be sixteen (16) years or older to utilize the exercise room.
 - e. Athletic shoes and shirts shall be worn at all times.
 - f. As a courtesy to others, people exercising are requested to allow others to work in with them.
 - g. A thirty (30) minute time limit shall apply on all cardio-vascular equipment when someone is waiting.
 - h. Equipment shall be wiped down after usage. Accordingly, people exercising are requested to bring a towel to the exercise room and fitness center for that purpose.

4. Renting of the Clubhouse Facilities:

- a. All reservations of any area of the Clubhouse facility permitted to be reserved or rented (i.e., the Social Hall and/or Catering Kitchen) by Owners must first be approved by the Board or, if applicable, the Social Director. Renting of any area of the Clubhouse facility by Owners for their private use, if permitted by the Board, shall be subject to availability, the payment of scheduled fees and deposits as may be determined by the Board, and the execution of the Association's form of rental agreement.
- b. Any Owner or other authorized person reserving a portion of the Clubhouse facility shall have the care, custody and control of such portion of the Clubhouse facility, as applicable, during the period the facility is reserved and shall, therefore, be responsible for any and all costs for repairs and/or replacement to the Clubhouse facility, and any furniture, equipment, accessories, appliances and the like which are damaged or destroyed for any reason while under Owner's or authorized person's care, custody and control. In addition, any Owner or authorized person using a portion of the Clubhouse facility shall be responsible for the care and cleaning thereof, including the kitchen. All furnishings and equipment shall be replaced to their previous locations, but in no event shall they be removed from the Clubhouse facility.
- c. Owners wishing to reserve a portion of the Clubhouse facility must first contact the Association Property Manager or Social Director, if applicable, to request a date and time. A deposit shall be due and payable at the time of reservation, and a portion thereof shall be non-refundable, all as determined by the Board. The balance of the deposit shall be refunded only if (i) there has been no damage, misuse or theft to the Clubhouse facility and all furniture, equipment, accessories, and appliances therein, and (ii) the Clubhouse facility is clean. The amount of the required deposit and the non-refundable portion of the deposit may be established and amended by the Board at any time and from time to time.
- d. All community events and meetings shall supersede the use of all other events throughout the Clubhouse facility.
- e. Rental of the Clubhouse facilities for use by any social, fraternal or political organization shall be prohibited.

5. Rules for Use of Firepit Area:

- a. Do not touch the fire or the firepit while the firepit is in operation.
- b. Do not touch the glass contained within the firepit (including the surrounding areas) after the flame has been turned off, as the glass contained within the firepit and the surrounding areas remain very hot.
- c. Turn off the firepit immediately after use.
- d. The firepit may only be operated by persons seventeen (17) years of age or older.
- Use of the Clubhouse shall also be governed by all other applicable Rules and Regulations adopted by the Board, including but not limited to those concerning the "General Use of Association Property and Recreation Areas".

RULES FOR THE SWIMMING POOL AREA

"Pool Area" as used herein shall mean and refer to the resort pool, lap pool, resistance pool, wading pool, spa, shade cabanas and the general pool deck area.

1. Pool Area Use:

- a. THERE SHALL BE NO LIFEGUARD ON DUTY. ALL PERSONS USING THE POOL AREA SHALL DO SO AT THEIR OWN RISK. The Association and its Board assumes no responsibility for any accident or personal injury or for any loss or damage to personal property arising out of or in connection with the use of the pools, spa and/or the Pool Area in general. Persons using the pools or Pool Area agree not to hold the Association or the Board liable for actions of any nature occurring within the Pool Area.
- b. Pool Area hours are from Dawn to Dusk, but in no event later than 9:00 p.m. Outdoor recreation lights shall be turned off no later than 9:00 p.m. Prior to 8:00 a.m., the use of Pool Area shall be restricted to Owners only. No use prior to 8:00 a.m. shall be allowed which is deemed disruptive to the peaceful enjoyment of those residents living in close proximity to the Pool Area. Activities scheduled by the Association in the Pool Area takes precedence over individual use. The foregoing time restrictions shall not apply to activities occurring on the pool deck which have been organized by the Association.
- c. All persons sixteen (16) years of age or younger using the resort pool shall be accompanied and closely supervised by an Owner or supervising adult who is twenty-one (21) years of age or older. No persons sixteen (16) years of age or younger are permitted in the resistance pool, lap pool or spa. The children's wading pool is reserved for children eight (8) years and younger, who must always be accompanied by an Owner or supervising adult who is twenty-one (21) years of age or older.
- d. Wheelchairs, strollers, and child waist and arm flotation devices shall be permitted in the Pool Area. No rafts and similar flotation devices shall be permitted in the Pool Area.
- e. No animals shall be permitted in the Pool Area.

2. Code of Conduct for the Pool Area:

- a. No nude swimming shall be allowed at any age. Paper or cloth diapers are prohibited in the pools or spa. Infants/children who are not toilet trained and adults who are incontinent must appropriate wear swim diapers which fit snugly around the legs and waist. If the swim diapers become soiled, the person must exit the pool immediately and not return until he/she has taken or been given a soap shower and has been covered by a new, clean swim diaper.
- b. No alcoholic beverages shall be permitted on the general pool deck area, unless purchased from the Restaurant Operator. All persons must be 21 or older to purchase and consume alcoholic beverages in the general pool deck area. No alcoholic beverages shall be permitted in the resort pool, lap pool, resistance pool, spa and wading pool.
- c. No smoking or vaping (including electronic cigarettes) shall be permitted in the Pool Area.
- d. No roller skates, skateboards, roller blades, bicycles, scooters, balls of any kind, scuba equipment, swimming fins and other play or exercise equipment shall be permitted in the Pool Area unless the equipment is used in conjunction with an event or activity scheduled by the Association.
- e. No running, pushing, dunking, rough play, profane language, diving or jumping in the Pool Area shall be permitted.
- f. No music devices or portable televisions shall be permitted in the Pool Area without the use of headphones and no live musical entertainment (i.e., DJ, live band, etc.) is permitted in the Pool Area unless organized by the Association.

3. Health and Safety Considerations:

- a. All users shall shower before entering the pools or spa. Water is recirculated; persons using the Pool Area shall not swallow pool water.
- b. No soaps or shampoos shall be used at the pool side shower.
- c. Persons wearing bandages or having colds, viruses, coughs, inflamed eyes, infections, diarrhea and/or open sores shall not use the resort pool, lap pool, resistance pool, spa and wading pool.

RULES FOR THE SWIMMING POOL AREA (continued)

- d. No glass containers or other breakable objects shall be permitted in the Pool Area.
- e. All belongings shall be removed when the user is leaving the Pool Area. The Association and its Board shall not be responsible for any belongings lost or stolen.
- f. All rubbish, garbage, trash, refuse or other waste materials shall be placed into containers around the Pool Area provided for this purpose or removed from the Pool Area.
- g. A five (5) foot walking area shall be maintained around the pools and spa at all times. Additionally, walking areas around and through the Pool Area shall not otherwise be blocked.
- h. In accordance with health department regulations, no food or drink are permitted in the resort pool, lap pool, resistance pool, spa and wading pool.
- 4. Use of pool furniture and equipment:
 - a. Pool furniture shall not be removed from the Pool Area.
 - b. Pool furniture shall not be reserved for anyone not in the Pool Area.
 - c. Pool furniture and equipment shall not be modified, altered or changed in any manner.
 - d. Towels shall be placed on pool furniture when in use.
- 5. The spa may reach temperatures in excess of one hundred degrees Fahrenheit (100°F). If a permitted user of the spa has a health risk, such user should first check with their physician before using the spa.
- 6. Use of the Pool Area shall also be governed by all other applicable Rules and Regulations adopted by the Board, including but not limited to those concerning the "General Use of Association Property and Recreation Areas".

Last Revised February 23, 2024

RULES FOR THE OUTDOOR COURTS

"Outdoor Courts" as used herein shall mean and refer to the Racquet Center Proshop, clay tennis courts, pickleball courts, bocce ball courts, shaded pavilion and the seating areas.

1. General Restrictions:

- a. The Association may retain or employ a manager (the "Racquet Center Director") to oversee and manage the operations, maintenance and other aspects of the Outdoor Courts and related facilities (collectively, the "Racquet Facilities"). Each Member's use and enjoyment of the Racquet Facilities will, in addition to the rules and regulations contained herein, be subject to such other rules, policies, and regulations imposed by the Racquet Center Director and approved by the Board, which may include, without limitation, the right to regulate use, impose time restrictions and requirements, implement scheduling procedures and other rules and regulations, schedule and conduct events and tournaments, providing private and group instructions and lessons, clinic programs, league/team programs, management and coaching. Notwithstanding anything contained in these Rules and Regulations to the contrary, if provided for in the Racquet Facilities Agreement, the Racquet Center Director shall have the right to schedule use of the Courts by organized teams, as a practice or scrimmage court, facility, field or area.
- b. Lessons and Instructions. Only the Racquet Center Director (or its agents), or, where no Racquet Facilities Agreement is in place, such person or person(s) designated by the Association, shall be permitted to provide and conduct lessons and instructions upon the Outdoor Courts.
- c. Non-Resident Use Restrictions. Users of property in Valencia Ridge may invite guests who are not owners of homes in Valencia Ridge to play with them, subject to the rules promulgated by the Association from time to time. Users shall accompany and remain with their guests, invitees and tenants at all times during the use of the Racquet Facilities.
- d. Notwithstanding anything contained herein to the contrary, the Association or Racquet Center Director shall have the right, but not the obligation, from time to time, to impose, amend and/or supplement rules, regulations and restrictions relating to the number of guests permitted per User or per household, and the days and times which guests are permitted or restricted from play. The foregoing right of the Association and Racquet Center Director shall include, the right to impose fees to be paid by guests in connection with their use of the Racquet Facilities; the right to determine a ratio of "user per guest" use"; and the right to ban use of the Racquet Facilities by outside person(s) and/or guests as a result of non-compliance of these rules by the User and/or such guest.
- e. If applicable, guests of Users shall be required to pay the prevailing guest fee at check-in. Payment of guest fees is the responsibility of the User who reserved the court. Users and tenants and guests with guest passes may use the facilities without charge.
- f. Use of the Racquet Facilities or any portion thereof, by any organized team (i.e., school teams, municipal recreation league teams, etc.) as a practice or scrimmage court, facility, field or area is strictly prohibited. The Association or Racquet Center Director shall have the right to schedule matches, events and tournaments with other communities, groups, leagues and third parties however. Such visiting communities, groups, and leagues shall not be required to pay guest fees when playing in official league matches scheduled by the Association or Racquet Center Director.
- g. Written requests or telephone messages left for reservations are not considered valid requests for reservations. To reserve a court for use, see the section entitled "Reservations for Use", below.
- h. ALL PLAYERS SHALL PLAY AT THEIR OWN RISK.

2. Racquet Facilities Use:

- a. The Racquet Facilities are open for play from 7:00 a.m. until 11:00 p.m. Pro shop hours are posted at the Racquet Center Proshop and are subject to change as determined by the Association or Director from time to time.
- b. During morning hours (7:00 a.m. to 12:00 noon), players shall maintain low noise levels.
- c. Private lessons shall not be given during prime playing hours (5:00 p.m. to 9:00 p.m.).
- d. Play shall be limited to one and a half (1½) hours for doubles play and one (1) hour for singles play. Play may continue provided no other players are waiting at the expiration of the preceding time limits.

RULES FOR THE OUTDOOR COURTS (continued)

- e. The Association or Racquet Center Director, as applicable, shall have the right to terminate/refuse play for any reason, in their sole discretion.
- f. Suspension of Play. Operation of the Racquet Facilities may be suspended (i) due to cold weather, rain or wet conditions; (ii) when the lightning detection system (if any) is activated, and (iii) as otherwise directed by the Association or the Racquet Center Director, as applicable.

3. Specific Use Restrictions:

- a. The Racquet Facilities are restricted to the playing of appropriate games or game-related activities (i.e., exhibitions and clinics) only.
- b. No one shall be permitted on the Racquet Facilities except those persons playing with either (i) a prior reservation, or (ii) the consent of the Racquet Center Director.
- c. Roller skates, skateboards, roller blades, bicycles, scooters and other play or exercise equipment are prohibited on the Racquet Facilities.
- d. Children sixteen (16) years of age and younger shall be accompanied and closely supervised by an adult twenty-one (21) years of age or older and shall not disrupt the play of others.
- e. No intoxicants, food or breakable containers shall be permitted on the Racquet Facilities.
- f. All belongings shall be removed from the Racquet Facilities when play is complete. The Association and its Board shall not be responsible for belongings lost or stolen.
- g. An User shall be responsible for repair and/or replacement costs incurred as a result of deliberate or irresponsible behavior resulting in damage to the Racquet Facilities and/or related equipment caused by the User, such User's family members, tenants, guests, invitees and others for whom the User is responsible.
- h. Pets shall not be permitted in the Racquet Facilities.

4. Code of Conduct for the Racquet Facilities:

- a. Boisterous or profane language shall be not used by players or spectators.
- b. Walking behind or through the playing areas during play shall be prohibited.
- c. Entering or leaving a court or playing field shall only occur when the play of other players is stopped.
- d. Only proper attire, shoes and protective wear shall be worn. No swimsuits or bare chests shall be allowed. Only sneakers shall be worn on the courts. Black soled sneakers shall not be permitted.
- 5. Reservations for Use. Use of the Racquet Facilities amenities is currently managed by a computerized system which controls general member play (open play) while reserving smaller time slots for programmed activities including instruction, round-robins, team play, and special events. The computerized system may be accessed by phone or internet.
 - Reservations for use of Racquet Facilities shall be as set forth and determined by the Association or the Racquet Center Director.
 - b. Players shall not reserve more than one time slot. Any duplicate reservations shall not be honored until all other players have played.
 - c. Unassigned court time may be signed up for by the same players on the same day.
 - d. Court time shall be forfeited if players do not show up within ten (10) minutes of the reserved time.
 - e. If the court loses playability during a reserved time, playing time shall not be extended if other players are waiting or have reservations.
- 6. <u>Pickleball Courts</u>. The Board reserves the right to require the use of specific pickleball paddles and/or pickleballs.

Use of the Racquet Facilities shall also be governed by all other applicable Rules and Regulations adopted by the Board from time to time, including but not limited to those concerning the "General Use of Association Property and Recreation Areas."

VALENCIA RIDGE HOMEOWNERS ASSOCIATION, INC. RULES AND REGULATIONS

RULES FOR THE DOG PARK

1. Use of the Dog Park:

- a. THE DOG PARK IS NOT SUPERVISED. ALL PERSONS USING THE DOG PARK DO SO AT THEIR OWN RISK. The Dog Park may be used by Owners of Homes within the Community and their accompanied guests only. The Association and its Board assume no responsibility for any accident or personal injury (to person and/or animal) or for any loss or damage to personal property arising out of or in connection with the use of the dog park. Persons using the dog park agree not to hold the Association or the Board liable for actions of any nature occurring within the dog park.
- b. Dog park hours are from Dawn to Dusk, but in no event later than 9:00 p.m. Small dogs up to 25 lbs are allowed in the section of the Dog Park reserved for small dogs. Medium to large dogs over 25 lbs are only allowed in in the section of the Dog Park reserved for large dogs.
- c. No person shall be allowed in the dog park who is not accompanying a dog. No dogs may enter the dog park unattended by a handler. There is a maximum limit of three (3) dogs per handler. No pets other than dogs may enter the dog park. Entry into the dog park may be restricted by the installation of a security system which requires the entry of a specific code. Only Owners of Homes within the Community will be provided with the code by the Association. The Association reserves the right to change the access code at any time and without prior notice to the Owners.
- d. Dog handlers must be sixteen (16) years of age or older. No children under the age of six (6) shall be permitted within the dog park area. All persons between the ages of six (6) and fifteen (15) shall be accompanied by an Owner or supervising adult over the age of twenty-one (21).
- e. Dogs shall be kept on a leash when entering and exiting the dog park. Except as provided below, handlers must unleash dogs before entering the second entry gate into the dog park. For the safety of all handlers and dogs, no dogs are allowed to remain on a leash within the dog park except in those areas specifically designated as training areas in which case the dog may remain on a lease, but such leash shall not exceed six (6') feet in length.
- f. Handlers have a responsibility to ensure that the entry gates to the dog park are securely closed immediately after entering and exiting the area.

2. Code of Conduct for the Dog Park:

- a. No smoking shall be allowed within the dog park.
- b. No food (animal or human) shall be allowed within the dog park other than training treats, which shall be permitted.
- c. No intoxicants shall be permitted within the dog park.
- d. Dog's handlers must remain in view and in control of their dog(s) at all times. Dog handlers shall not allow their dog(s) to excessively bark or dig within the dog park area.
- e. All dogs must stay within the designated dog park area.
- f. Bathing of dogs within the dog park is not permitted.
- g. Spike, prong or pinch collars are not permitted in the dog park.

3. Health and Safety Considerations:

- a. Dogs under four (4) months of age and dogs in heat are not permitted in the dog park.
- b. Dogs showing aggression or declared a "Dangerous Dog" (as provided in the Declaration) are not permitted in the dog park. The Association reserves the right to ban any dog from the dog park for displaying aggressive behavior toward other dogs or persons.
- c. All dogs entering the dog park must be healthy and display current rabies vaccination tags.
- d. Handlers must immediately pick up all solid animal waste and dispose of such waste in the two (2) waste stations located within the dog park.
- e. No glass containers shall be permitted in the dog park.

VALENCIA RIDGE HOMEOWNERS ASSOCIATION, INC. RULES AND REGULATIONS

RULES FOR THE DOG PARK (continued)

- 4. Use of the dog park shall also be governed by all other applicable Rules and Regulations adopted by the Board, including but not limited to those concerning "Animals and Pets" and the "General Use of Association Property and Recreation Areas". Failure to abide by any and all dog park rules may result in loss of privileges.
- 5. BITES, INJURIES OR EMERGENCIES SHOULD BE REPORTED TO PASCO COUNTY ANIMAL CONTROL AT (813) 929-1212. IN CASE OF EMERGENCY DIAL 911.

VALENCIA RIDGE HOMEOWNERS ASSOCIATION, INC. RULES AND REGULATIONS

RULES FOR OFFICIAL RECORDS REQUESTS

Pursuant to section 720.303(5)(c), Florida Statutes, as may be amended from time to time, in an effort to efficiently conduct the business of the Association and to ensure that all of the Association's members ("Member" or "Members") have an opportunity, if so requested, to reasonably access and inspect the official records of the Association, maintained in accordance with section 720.303(4), Florida Statutes, as may be amended from time to time, the following rules and regulations shall govern official records requests, inspection, and copying.

- 1. <u>Scope</u>. Subject to the exceptions as set out in section 720.303(5)(c), Florida Statutes, as may be amended from time to time, the official records of the Association are open to inspection and copying by any Member, or the authorized representative of such Member as the Member may designate in writing to the Association ("Member Representative"), in the manner set out in these Rules and Regulations.
- 2. Request. Any request to inspect and/or copy the Association's official records must be made in writing, sent by certified mail, return receipt requested, to the Association. The Association may promulgate an official records request form, from time to time. All requests received in any other manner will be disregarded and shall in no way obligate the Association to allow such Member, or Member Representative, to inspect or copy the Association's official records.
 - a. Requests must be described with sufficient specificity as to allow the Association to locate the requested official records. Notwithstanding the foregoing, the Association shall not be obligated to identify and retrieve the requested official records and/or provide the Member with only what was requested.
 - b. Wherever applicable, the request must specify pertinent dates and/or time periods for the requested official records.
 - c. Please indicate, as may be applicable, which requested official records you wish to be photocopied and include a check made payable to the Association in the total amount as determined by Rule 6, Rule 7, and Rule 8 of these Rules and Regulations.
 - d. Requests for inspection and/or copying of the Association's official records may, at the Board's sole and unfettered discretion, be referred to Association's legal counsel for assistance.
 - e. The Association shall not research the official records. For example, a request to "provide the maintenance bills for the five most expensive months during the past three years" is not acceptable. Whereas, a request to "provide all maintenance bills for the past three years" is acceptable.
 - f. The Association shall not be required to deliver records in any particular form. No document or report will be created in a format other than that document or report as kept in the ordinary course of business.
- 3. <u>Frequency and Duration</u>. In accordance with section 720.303(5)(c), Florida Statutes, as may be amended from time to time, a Member or Member Representative is entitled to one (1), eight (8) hour business day inspection of the Association's official records per month.
- 4. <u>Date and Time</u>. Official records shall be made available for inspection and copying within ten (10) business days of receipt by the Association of a written request provided in accordance with Rule 1 above. A Member or Member Representative shall only inspect the Association's official records on a business day during normal business hours. The Association shall provide date and time options for the inspection of the requested official records to the Member or Member Representative from which the Member or Member Representative may select.
- 5. <u>Location</u>. The Association shall designate, from time to time, a location for the inspection and copying of the official records. In any event, the Association's official records shall be made available for inspection and copying at a location within forty-five (45) miles of the Community or within Pasco County, Florida.
- 6. <u>Vendor Fees</u>. In the event the Association's official records are maintained by or are in the possession of a third-party vendor from whom the Association must obtain such official records to satisfy the request, any fees charged by the third-party vendor shall be invoiced to the Member or Member Representative and paid by the Member or Member Representative before the records are ordered from the vendor.

VALENCIA RIDGE HOMEOWNERS ASSOCIATION, INC. RULES AND REGULATIONS

RULES FOR OFFICIAL RECORDS REQUESTS (continued)

7. Photocopying Costs.

- a. In the event the Association has a photocopy machine available where the official records are maintained, the Association shall provide the requesting Member or Member Representative with copies, upon the request of the Member or Member Representative, during the inspection if the entire request is limited to no more than twenty-five (25) pages. If the official records requested to be copied exceed twenty-five (25) pages in length, the Association shall charge twenty-five cents (\$0.25) per page for copies made on the Association's photocopier.
- b. In the event the Association does not have a photocopy machine available where the official records are kept or if the official records requested to be copied exceed twenty-five (25) pages in length, the Association may, in its sole and unfettered discretion, have copies made by an outside duplicating service and shall charge the actual cost of copying, as evidenced by the vendor invoice.
- c. A Member or Member Representative may use a portable device, including a smartphone, tablet, portable scanner, or any other technology capable of scanning or taking photographs, to make an electronic copy of the official records, free of charge, in lieu of the Association's providing the Member or Member Representative with a copy of such records.
- 8. Personnel Costs Attorneys' Fees. In the event the time spent retrieving and/or copying the requested official records exceeds thirty (30) minutes, the Member or Member Representative shall pay personnel costs not to exceed twenty dollars (\$20.00) per hour. Personnel costs shall not be charged for official records requests that result in the copying of a total of twenty-five (25) or fewer pages. In the Association's sole discretion, if the Association deems it necessary to have the Association's attorney present during the inspection due to the nature of the request or the official records requested, then the Member or Member Representative shall be responsible to pay the estimated attorneys' fees prior to inspection of the official records unless otherwise prohibited by prevailing law.

9. Inspection and/or Copying.

- a. The inspection and copying of the Association's official records shall be limited to those official records requested in advance and in writing.
- b. The Association shall not be required to interpret any document found within the official records and shall not be obligated to answer questions during the course of the inspection of the official records.
- c. No portion of the Association's official records shall be removed by a Member or Member Representative from the inspection room unless such records were provided to the Member or Member Representative as a requested copy.
- d. No Member or Member Representative shall mark, write upon, or otherwise mark or alter any portion of the official records of the Association.
- e. In the event the conduct of a Member or Member Representative becomes inappropriate during the inspection of the Association's official records, the inspection shall be immediately terminated.
- 10. Non-Accessible Official Records. Pursuant to section 720.303(5)(c), Florida Statutes, as may be amended from time to time, the following records are not accessible to Members or Member Representatives:
 - a. Any record protected by the lawyer-client privilege as described in section 90.502, Florida Statutes, and any record protected by the work-product privilege, including, but not limited to, any record prepared by the Association's attorney or prepared at the Association's attorney's express direction which reflects a mental impression, conclusion, litigation strategy or legal theory of the attorney or the Association and which was prepared exclusively for civil or criminal litigation or for adversarial administrative proceedings or which was prepared in anticipation of such litigation or proceedings until the conclusion of the litigation or proceedings.
 - b. Information obtained by the Association in connection with the approval of the lease, sale, or other transfer of a parcel.
 - c. Information an association obtains in a gated community in connection with guests' visits to parcel owners or community residents.

VALENCIA RIDGE HOMEOWNERS ASSOCIATION, INC. RULES AND REGULATIONS

RULES FOR OFFICIAL RECORDS REQUESTS (continued)

- d. Personnel records of Association or management company employees, including, but not limited to, disciplinary, payroll, health and insurance records. For purposes of this subparagraph, the term "personnel records" does not include written employment agreements with an Association or management company employee or budgetary or financial records that indicate the compensation paid to an Association or management company employee.
- e. Medical records of Members or community residents.
- f. Social security numbers, driver license numbers, credit card numbers, electronic mailing addresses, telephone numbers, facsimile numbers, emergency contact information, any addresses for a Member other than as provided for Association notice requirements, and other personal identifying information of any person, excluding the person's name, parcel designation, mailing address, and property address. Notwithstanding these restrictions, the Association may print and distribute to Members a directory containing the name, parcel address, and all telephone numbers of each Member. However, a Member may exclude his/her telephone numbers from the directory by so requesting in writing to the Association. The Association is not liable for the disclosure of information that is protected under section 720.303(5)(c)(5), Florida Statutes, as may be amended from time to time, if the information is included in an official record of the Association and is voluntarily provided by a Member and not requested by the Association.
- g. Any electronic security measure that is used by the Association to safeguard data, including passwords.
- h. The software and operating system used by the Association which allows the manipulation of data, even if the Member owns a copy of the same software used by the Association.
- i. All affirmative acknowledgments made pursuant to section 720.3085(3)(c)3, Florida Statutes.
- 11. Improper Use of Association Official Records. No Member or Member Representative shall share with or distribute to any non-Member any official record of the Association. For example, and without limitation, no Member or Member Representative shall publish or post, physically or electronically, any official record of the Association in such a manner as to be seen or read by non-Members, and no Member or Member Representative shall provide, physically or electronically, any official record of the Association to any non-Member. The foregoing shall be in addition to and in furtherance of the restrictions set forth in the Declaration. as amended from time to time.

VALENCIA RIDGE RECREATION AMENITIES RELEASE AND WAIVER

- I, the below named Participant, hereby execute this Valencia Ridge Recreation Amenities Release and Waiver ("Release") in connection with my: (a) use of the Valencia Ridge recreation amenities and facilities, including, without limitation: recreation tract, the lifestyle facility (if any), the Valencia Ridge clubhouse, social hall, fitness center and exercise studio, massage room, showers, indoor sports complex, arts and crafts room, catering kitchen, card rooms, multi-purpose rooms, restaurant, lounge, indoor and outdoor bars, yoga garden, tennis courts and pro-shop, pickleball courts, pools, spa, shaded cabanas, party pavilions, any open play areas, dog park and/or any portion of any of the foregoing amenities and facilities and/or the equipment and facilities located thereon and therein (each referred to herein individually as a "Recreation Amenity" and collectively as the "Recreation Amenities") which are owned, operated and/or maintained by Valencia Ridge Homeowners Association, Inc. (the "Association"), and/or (b) participation in any and all activities sponsored, promoted or set up by the Association and whether or not such activities take place on the Association Property or elsewhere (the "Activities"). I acknowledge, fully understand and hereby agree as follows:
- 1. I am responsible for my own safety while using any of the Recreation Amenities and/or while participating in the Activities and I will therefore fully familiarize myself with the safe use of the applicable Recreation Amenity and/or Activities. It is my responsibility to ensure that my family members, tenants, guests, and invitees understand that they are each responsible for: (a) their own safety while using any of the Recreation Amenities and/or participating in the Activities, and (b) fully familiarizing themselves with the safe use of the applicable Recreation Amenities and/or Activities.
- 2. Physical exercise can be strenuous and subject to risk of serious injury and/or death, and that I should seek the advice of a physician before beginning use of the Recreation Amenities and/or participating in any Activities. I will only use the Recreation Amenities and/or participate in the Activities when I am physically able to do so.
- 3. My use of the Recreation Amenities and/or participation in Activities bears both known and unknown risks that could result in serious injury, permanent disability, death, illness, disease, emotional distress, damage and/or loss to me and/or my property as well as to third parties and/or their property. I acknowledge and agree that I know, understand and appreciate the risks (known and unknown) of participating in fitness activities, sports, classes, programs and instruction of any kind at any of the Recreation Amenities and/or the Activities. I know that these known and unknown risks may result from my own actions, the actions of others and/or a combination of both. I assume all risk (known and unknown) of serious injury, permanent disability, death, illness, disease, emotional distress, damage and/or loss to me and/or my property that might result from my use of the Recreation Amenities and/or participation in the Activities. It is also my responsibility and obligation to ensure that my family members, tenants, guests, and invitees understand and assume all of the known and unknown risks that might result from their use of the Recreation Amenities and/or participation in Activities, and any such use shall be deemed their agreement to assume all of the known and unknown risks, damages and/or loss to their property that might result.
- 4. I, for myself, my family, my heirs, my legal guardians, my personal and legal representatives, my estate, my successors and my assigns, hereby voluntarily release, waive, relinquish, surrender and forever discharge the Association, Pasco County Associates I, LLLP (the "Declarant") and its partners, and each of their respective partners, shareholders, directors, members, managers, officers, employees, agents, affiliates, vendors, successors and assigns (collectively, the "Released Parties") from any and all losses, claims, demands, suits, actions, causes of action, liabilities (including, without limitation, property damage, personal injury and/or death), judgments, damages (including, without limitation, secondary, incidental, consequential, special and/or punitive damages), fines, liens, encumbrances, penalties, fees, costs and expenses of whatever nature or kind (including, without limitation, attorneys' fees and costs up to and through all trial, appellate and post-judgment levels and proceedings, whether or not suit be brought) which I and/or they may have (collectively, the "Losses") arising out of and/or in any way connected with my use of the Recreation Amenities, participation in Activities, and/or use or participation in any other service, product, activity, league, class, program or instruction offered or sold by any of the Released Parties at or in connection with the Recreation Amenities and/or Activities. I understand that this Release includes any claims based on any action or inaction (negligent, reckless or otherwise) of the Released Parties and/or any other person.
- 5. I hereby indemnify and hold the Released Parties harmless from and against any Losses incurred by my family members, guests, and/or invitees (including without limitation, my minor family members) arising out of and/or in any way connected with their use of the Recreation Amenities, participation in Activities, and/or use or participation in any other service, product, activity, league, class, program or instruction offered or sold by any of the Released Parties at or in connection with the Recreation Amenities and/or Activities. I understand that this Release includes any claims based on any action or inaction (negligent, reckless or otherwise) of the Released Parties and/or any other person.
- 6. Should any of the Released Parties incur reasonable attorneys' fees, costs or other expenses to enforce this Release, whether or not any proceeding is actually commenced, I agree to indemnify and reimburse the Released Parties all such fees, costs and expenses incurred by the Released Parties up to and through all trial, appellate and post-judgment levels and proceedings.
- 7. This Release and any disputes arising under or related to it will be governed and interpreted pursuant to the laws of the State of Florida, without regard to its conflicts of law rules, and venue for any such actions shall be exclusively in Pasco County, Florida. I KNOWINGLY AND VOLUNTARILY WAIVE ANY RIGHT I MAY HAVE TO A TRIAL BY JURY IN ANY ACTION, SUIT OR PROCEEDING BROUGHT TO ENFORCE, DEFEND OR INTERPRET ANY RIGHTS OR REMEDIES UNDER, ARISING IN CONNECTION WITH AND/OR RELATING TO THIS RELEASE, INCLUDING, BUT NOT LIMITED TO, ANY ACTION, SUIT AND/OR PROCEEDING ARISING IN CONNECTION WITH AND/OR RELATING TO MY USE OF THE RECREATION AMENITIES AND/OR PARTICIPATION IN THE ACTIVITIES. THIS MEANS THAT A JUDGE AND NOT A JURY WILL BE THE TRIER OF FACT IN RESOLVING ANY ACTION, SUIT AND/OR PROCEEDING REGARDLESS OF (A) THE NATURE OF THE ACTION, SUIT AND/OR PROCEEDING IS BASED IN CONTRACT, TORT, NEGLIGENCE, STATUTE OR OTHERWISE, AND/OR (C) THE NATURE OF THE INJURY ALLEGED (INCLUDING, BUT NOT LIMITED TO, PERSONAL INJURY, DEATH, PROPERTY DAMAGE AND/OR OTHER ECONOMIC OR NON-ECONOMIC DAMAGE).
- 7. This Release is intended to be as broad as is permissible under the laws of the State of Florida. If any provision of this Release shall be found to be unlawful, void, or for any reason unenforceable by a court of competent jurisdiction, then that provision shall be deemed severable from this Release and shall not affect the validity and enforceability of any remaining provisions. No one has represented to me that the Association, the Declarant and/or any of the Released Parties would not seek to enforce each and every provision of this Release.

I HAVE CAREFULLY READ THIS RELEASE AND FULLY UNDERSTAND AND AGREE TO ITS TERMS, AND I FURTHER UNDERSTAND AND AGREE THAT I AM GIVING UP SUBSTANTIAL RIGHTS HEREIN. I FURTHER UNDERSTAND THAT THIS IS A RELEASE OF LIABILITY WHICH PRECLUDES PURSUING ANY CLAIMS AGAINST THE RELEASED PARTIES FOR DAMAGES, INJURY AND/OR DEATH INCURRED IN RELATION TO USE OF THE RECREATION AMENITIES AND/OR PARTICIPATION IN THE ACTIVITIES. I HAVE SIGNED THIS RELEASE FREELY AND WITHOUT ANY INDUCEMENT OR ASSURANCE OF ANY NATURE AND INTEND THIS RELEASE TO BE A COMPLETE AND UNCONDITIONAL RELEASE OF ALL LIABILITY TO THE GREATEST EXTENT ALLOWED BY LAW.

Signature of Participant	Date	Date of Birth
Printed Name of Participant		

For participants of minority age, this is to clarify that I, as consent and agree on behalf of the minor participant to al voluntarily release, waive, relinquish, surrender and forev connected to the participants' use of the Recreation Amproduct, activity, league, class, program or instruction of Amenities and/or the Activities.	I the terms of this Release, including, but not limited er discharge the Released Parties from any and all I enities, participation in the Activities and/or use or	to, the waiver of a trial by jury, and Losses arising out of or in any way participation in any other service
Signature of Parent or Adult Guardian	Printed Name of Parent or Adult Guardian	Date
Note: No person will be permitted to use the Recreaticless, program or instruction prior to signature of this	on Amenities, or participate in the Activities or ar s Release and Waiver.	ny other service, activity, league,

Last Revised 02/23/2024 Page 2 of 2

VALENCIA RIDGE HOMEOWNERS ASSOCIATION, INC. 2025 ESTIMATED OPERATING BUDGET



	2025 ESTIMATED OPERATING EXPENSES
ADMINISTRATIVE EXPENSES:	
PROPERTY MANAGER	16,142
PROPERTY MANAGEMENT FEE	2,130
INSURANCE	8,517
OFFICE SUPPLIES	1,500
LEGAL	1,000
ANNUAL REVIEW & TAX PREPARATION	8,250
BAD DEBT EXPENSE	-
COMMUNITY WEBSITE	1,393
LICENSES, FEES & TAXES	-
TOTAL ADMINISTRATIVE EXPENSES	38,932
COMMON AREA EXPENSES:	
LANDSCAPE MAINTENANCE	118,358
ACCESS CONTROL (Note 2)	110,550
ELECTRIC	38,500
LANDSCAPE MULCH	35,100
RECLAIMED WATER	21,000
IRRIGATION REPAIRS & PUMP MAINTENANCE	17,763
LANDSCAPE EXTRAS	10,315
FRONT ENTRY FEATURE	15,600
GENERAL REPAIRS & MAINTENANCE	
TREE TRIMMING	2,500 4,000
MITIGATION AREA MAINTENANCE	4,000 8,167
	,
GATE MAINTENANCE & REPAIRS	1,000
HOLIDAY LIGHTS	5,000
HURRICANE PREPARATION	5,000
WATER & SEWER	1,750
GATEHOUSE PHONES TOTAL COMMON AREA EXPENSES	1,458 285,510
RECREATION AREA EXPENSES:	
RESTAURANT OPERATOR	-
CLUBHOUSE PERSONNEL	-
JANITORIAL SERVICE	17,500
ELECTRIC & GAS	14,350
RECREATION AREA REPAIRS & MAINTENANCE	5,000
INSURANCE	6,750
RACQUET PRO	26,250
WATER & SEWER	11,900
FITNESS GROUP	15,400
POOL & SPA MAINTENANCE	-
AIR CONDITIONER MAINTENANCE	=
LANDSCAPE MAINTENANCE	8,400
LICENSES, MUSIC & TV CONTENT	4,025
COURT MAINTENANCE & REPAIRS	7,000
TRASH	3,500
LANDSCAPE EXTRAS	-
RESTAURANT REPLACEMENT FOR BREAKAGE	-
TELEPHONE, CABLE & INTERNET	5,833
IRRIGATION MAINTENANCE & REPAIRS	2,336
MULCH	-
FIRE & BURGLAR MAINTENANCE & INSPECTIONS	- 4 750
PEST CONTROL	1,750
ANNUALS	-
ACCESS CONTROL SUPPLIES & REPAIRS TOTAL RECREATION AREA EXPENSES	129,994
SUBTOTAL OF ANNUAL OPERATING EXPENSES	454,437

TOTAL MONTHLY ASSESSMENT FOR OPERATING EXPENSES	\$ 164
LESS DECLARANT VOLUNTARY CONTRIBUTION (Note 3)	\$ (1,030)
SUBTOTAL OF OPERATING EXPENSES PER COMPLETED LOT (Note 3)	\$ 1,194

VALENCIA RIDGE HOMEOWNERS ASSOCIATION, INC. 2025 ESTIMATED OPERATING BUDGET



	ES OP	2025 TIMATED ERATING (PENSES
SPECIAL SERVICE ASSESSMENTS (Note 4):		
ALARM MONITORING (Note 5)	\$	21.40
LANDSCAPE MAINTENANCE		67.00
MULCH		13.50
IRRIGATION MONITORING		12.00
IRRIGATION REPAIRS		3.00
TOTAL MONTHLY ASSESSMENT FOR SPECIAL SERVICE ASSESSMENTS	\$	116.90

COMPLETED LOT ASSESSMENT SUMMARY

TOTAL MONTHLY ASSESSMENT FOR OPERATING EXPENSES	\$ 164
TOTAL MONTHLY ASSESSMENT FOR SPECIAL SERVICE ASSESSMENTS	\$ 117
TOTAL MONTHLY COMPLETED LOT ASSESSSMENT	\$ 281

TOTAL QUARTERLY COMPLETED LOT ASSESSMENT (Notes 1 and 6)	\$	843
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NOTES:

- 1 This Estimated Operating Budget is for informational and planning purposes only. Although Valencia Ridge is anticipated to ultimately contain 517 Homes, this 2025 Estimated Operating Budget is based on an estimated average number of 30 Completed Lots for 2025. The Community, the improvements constructed in the Community, the services provided to the Community and the number of Homes in the Community, among other things, are all subject to change in accordance with the Valencia Ridge Governing Documents. Therefore, if Homes, improvements and/or services are added to (or withdrawn from) the Community in the future, then the anticipated Operating Expenses and/or Assessments estimated in this budget will change and may be higher or lower than projected based on the actual final build-out.
- 2 Staffing of the gatehouse is at the discretion of the Board of Directors of the Association.
- 3 The amount of Operating Expenses per Completed Lot does not include (and is net of) the assessment due from Declarant for the Incomplete Lots as calculated pursuant to the Governing Documents. Declarant's Voluntary Contribution is subject to change at any time by Declarant as provided in the Governing Documents.
- 4 Special Service Assessments include the following costs for the Completed Lots: (i) Home Landscaping Services (as defined in the Valencia Ridge Governing Documents); (ii) irrigation monitoring and irrigation repairs; and (iii) alarm monitoring services.
- 5 Alarm System Monitoring includes basic house alarm monitoring only.
- 6 Monthly figures are provided to allow for personal planning purposes only, but assessments are due and collected quarterly. Quarterly Assessment amounts are rounded up to the nearest whole dollar. The amounts set forth in this Estimated Operating Budget are estimates only based on, among other things: (a) information available at the time of preparation of the budget, (b) the estimated average number of Completed Lots and Incomplete Lots for 2025, and (c) the services and improvements presently contemplated to be provided to Valencia Ridge in 2025, all of which are subject to change in accordance with the Governing Documents including, without limitation, as a result of any additional improvements or services provided to the Community. Therefore, it is possible that actual expenses and assessments may be higher or lower as a result of full build-out and completion of the Community.

THIS ESTIMATED BUDGET IS PRELIMINARY AND HAS NOT BEEN APPROVED BY VALENCIA RIDGE HOMEOWNERS ASSOCIATION, INC. AND, THEREFORE, IS SUBJECT TO CHANGE AT ANY TIME WITHOUT NOTICE.

VALENCIA RIDGE HOMEOWNERS ASSOCIATION, INC. ESTIMATED FULL BUILD-OUT OPERATING BUDGET

Total Number of Homes (Note 1)

517

	ESTIMATED FULL BUILD-OUT BUDGET					
	Г	ANNUAL	ı	MONTHLY	ı	MONTHLY
	l	BUDGET		BUDGET	F	ER HOME
ADMINISTRATIVE EXPENSES:	Г		_			
PROPERTY MANAGER	\$	110,690	\$	9,224	\$	17.84
PROPERTY MANAGEMENT FEE	ı	46,530		3,878		7.50
INSURANCE	ı	34,765		2,897		5.60
OFFICE SUPPLIES	ı	20,000		1,667		3.22
LEGAL	ı	10,000		833		1.61
ANNUAL REVIEW & TAX PREPARATION	ı	8,250		688		1.33
BAD DEBT EXPENSE	ı	5,000		417		0.81
COMMUNITY WEBSITE	ı	4,870		406		0.78
LICENSES, FEES & TAXES	L	2,200		183		0.35
TOTAL ADMINISTRATIVE EXPENSES	\$	242,305	\$	20,192	\$	39.06
COMMON AREA EXPENSES:						
LANDSCAPE MAINTENANCE	\$	283,000	\$	23,583	\$	45.62
ACCESS CONTROL (Note 2)		243,407		20,284		39.23
ELECTRIC		104,000		8,667		16.76
LANDSCAPE MULCH		52,650		4,388		8.49
RECLAIMED WATER		50,000		4,167		8.06
IRRIGATION REPAIRS & PUMP MAINTENANCE		43,500		3,625		7.01
LANDSCAPE EXTRAS		40,630		3,386		6.55
FRONT ENTRY FEATURE		34,000		2,833		5.48
GENERAL REPAIRS & MAINTENANCE	ı	28,663		2,389		4.62
TREE TRIMMING	ı	20,000		1,667		3.22
MITIGATION AREA MAINTENANCE	l	14,000		1,167		2.26
GATE MAINTENANCE & REPAIRS	ı	10,000		833		1.61
HOLIDAY LIGHTS	ı	9,800		817		1.58
HURRICANE PREPARATION	ı	5,000		417		0.81
WATER & SEWER	ı	5,000		417		0.81
GATEHOUSE PHONES TOTAL COMMON AREA EXPENSES	\$	2,500 946,150	\$	78,846	\$	0.40 152.51
RECREATION AREA EXPENSES:	\$	200,000	ć	25.000	ć	40.26
RESTAURANT OPERATOR CLUBHOUSE PERSONNEL		300,000 168,301	Ş	25,000	Ş	48.36 27.13
JANITORIAL SERVICE	ı	144,000		14,025 12,000		23.21
ELECTRIC & GAS	ı	95,000		7,917		15.31
RECREATION AREA REPAIRS & MAINTENANCE	ı	70,675		5,890		11.39
INSURANCE	ı	65,300		5,442		10.53
RACQUET PRO	ı	45,000		3,750		7.25
WATER & SEWER	ı	45,000		3,750		7.25
FITNESS GROUP	ı	42,000		3,500		6.77
POOL & SPA MAINTENANCE		35,000		2,917		5.64
AIR CONDITIONER MAINTENANCE		31,888		2,657		5.14
LANDSCAPE MAINTENANCE		28,800		2,400		4.64
LICENSES, MUSIC & TV CONTENT		22,735		1,895		3.66
COURT MAINTENANCE & REPAIRS		12,000		1,000		1.93
TRASH		12,000		1,000		1.93
LANDSCAPE EXTRAS		11,500		958		1.85
RESTAURANT REPLACEMENT FOR BREAKAGE		10,000		833		1.61
TELEPHONE, CABLE & INTERNET		10,000		833		1.61
IRRIGATION MAINTENANCE & REPAIRS		8,010		668		1.29
MULCH		6,240		520		1.01
FIRE & BURGLAR MAINTENANCE & INSPECTIONS		5,000		417		0.81
PEST CONTROL		4,981		415		0.80
ANNUALS		4,250		354		0.69
ACCESS CONTROL SUPPLIES & REPAIRS TOTAL RECREATION AREA EXPENSES	\$	3,000	ć	250	ć	0.48
	Ξ	1,180,680	\$	98,390	\$	190.31
SUBTOTAL OF ANNUAL OPERATING EXPENSES	\$	2,369,135	\$	197,428	\$	381.87

VALENCIA RIDGE HOMEOWNERS ASSOCIATION, INC. ESTIMATED FULL BUILD-OUT OPERATING BUDGET

Total	Mirror	hau a	Llamac	(Note 1)

517

ESTIMATED FULL BUILD-OUT BUDGET					
ANNUAL	MONTHLY	MONTHLY			
BUDGET	BUDGET	PER HOME			

SPECIAL SERVICE ASSESSMENTS (Note 3):

ALARM MONITORING (Note 4)
LANDSCAPE MAINTENANCE
MULCH
IRRIGATION MONITORING
IRRIGATION REPAIRS
SUBTOTAL OF SPECIAL SERVICE ASSESSMENTS

\$	725,248	\$	60,437	\$	116.90
	18,612		1,551		3.00
	74,448		6,204		12.00
l	83,754		6,980		13.50
	415,668		34,639		67.00
\$	132,766	\$	11,064	\$	21.40
_		_		_	

TOTAL MONTHLY ASSESSMENT	
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499

QUARTERLY ASSESSMENT (Notes 1 and 5)

1,497

\$

NOTES

- 1 This Estimated Full Build-Out Operating Budget is for informational and planning purposes only, and is based on the current 517 total Homes anticipated to be constructed in Valencia Ridge. The Community, the improvements constructed in the Community, the services provided to the Community and the number of Homes in the Community, among other things, are all subject to change. Therefore, if Homes, improvements and/or services are added to (or withdrawn from) the Community in the future, then the anticipated Operating Expenses and/or Assessments estimated in this budget will change and may be higher or lower than projected based on the actual final build-out.
- 2 Access Control is based on the gatehouse being staffed 24 hours per day, 7 days per week at a future date. Staffing of the gatehouse is at the discretion of the Board of Directors of the Association.
- 3 Special Service Assessments include the following costs for the Completed Lots: (i) Home Landscaping Services (as defined in the Valencia Ridge Governing Documents); (ii) irrigation monitoring and irrigation repairs; and (iii) alarm monitoring services.
- 4 Alarm System Monitoring includes basic house alarm monitoring only.
- 5 Monthly figures are provided to allow for personal planning purposes only, but assessments are due and collected quarterly. The amounts set forth in this Estimated Full Build-Out Operating Budget are estimates only based on, among other things: (a) information available at the time of preparation of the budget, (b) the number of Homes presently anticipated to be constructed in the Community, and (c) an assumption of a full build-out and completion of the Community including, without limitation, the services and improvements presently contemplated, all of which are subject to change in accordance with the Governing Documents. Therefore, it is possible that actual expenses and assessments may be higher or lower than projected as a result of full build-out and completion of the Community.
- 6 The actual estimated operating budget for each year prior to final build-out of all of the Homes and improvements in Valencia Ridge shall be adopted by the Board in accordance with the Governing Documents and will be based on, among other things: (a) the estimated average number of Completed Lots and Incomplete Lots in the Community for the year of the applicable budget, (b) the timing of when improvements are completed, and/or (c) the timing and level of services to be provided for the year of the applicable budget. Accordingly, the amounts to be assessed in such annual budget will differ from the amounts shown in this Estimated Full Build-Out Operating Budget. See Articles VII and VIII of the Declaration of Covenants, Restrictions and Easements for Valencia Ridge for further details.

THIS BUDGET IS PRELIMINARY AND HAS NOT BEEN APPROVED BY VALENCIA RIDGE HOMEOWNERS ASSOCIATION, INC. AND, THEREFORE, IS SUBJECT TO CHANGE WITHOUT NOTICE.

THIS ESCROW AGREEMENT is made as of February 13, 2024, by and between PASCO COUNTY ASSOCIATES I, LLLP, a Florida limited liability limited partnership (the "Seller"), whose address is 1600 Sawgrass Corporate Parkway, Suite 400, Sunrise, Florida 33323, and NOVA TITLE COMPANY, a Florida corporation (the "Escrow Agent"), whose address is 7900 Glades Road, Suite 530, Boca Raton, FL 33434.

RECITALS:

WHEREAS, Seller is developing, constructing, and selling new residential dwelling units in Valencia Ridge (the "Project") in Pasco County, Florida; and

WHEREAS, Section 501.1375, Florida Statues, requires that certain deposit monies paid by a buyer to a building contractor or developer be held in escrow or that a blanket or master surety bond be obtained; and

WHEREAS, Escrow Agent is a title insurance company authorized to insure title to Florida real property and is willing and able to act as escrow agent; and

WHEREAS, the parties desire to provide for the escrow and release from escrow of these funds.

NOW, THEREFORE, in consideration of the mutual promises contained herein and other good and valuable considerations, the parties agree as follows:

- 1. <u>Recitals</u>. The foregoing recitals are true and correct and are incorporated herein by this reference.
- 2. <u>Escrow of Deposits</u>. Unless waived by a buyer, Seller shall pay into an escrow account established with Escrow Agent all payments up to ten percent (10%) of the sale price received by Seller from a buyer of a dwelling unit in the Project (a "Purchaser") toward the sale price of a home in the Project. Escrow Agent shall give each Purchaser a receipt for the deposit upon request. The funds received by Escrow Agent pursuant to the terms of this paragraph shall be held in escrow by Escrow Agent pursuant to the provisions of Section 501.1375, Florida Statutes.
- Disbursement of Escrowed Funds. In the event the Escrow Agent receives a notice sent by a Purchaser or the Seller requesting that the deposit monies be paid over to the Purchaser or the Seller in accordance with Section 501.1375, Florida Statutes, and the Purchase Contract, then the deposit monies shall be paid by the Escrow Agent as requested. In the event that prior to a closing the Escrow Agent receives written notice from the Purchaser or Seller that there is a dispute between the Purchaser and Seller, the Escrow Agent is hereby authorized in its sole discretion to ignore any request which the Escrow Agent shall deem not to be in accord with the terms of this Agreement and to commence an action in the nature of interpleader and seek to deliver documents, instruments, and deposit monies to a court of competent jurisdiction. Escrow Agent shall disburse a Purchaser's deposit monies to the Seller upon Escrow Agent's receipt of the Seller's written notice that such Purchaser's closing has been completed, and upon receipt of copies of executed Purchaser's and Seller's closing statements. Notwithstanding any provision to the contrary contained in this Agreement, the Escrow Agent shall make no disbursement out of escrow until Purchaser's deposit in the form of a check has been negotiated by Escrow Agent's financial institution and credited by such financial institution to the escrow account of Escrow Agent.
- 4. <u>Master Surety Bond</u>. Pursuant to the provisions of Section 501.1375 (5), Florida Statutes, a blanket or master surety bond issued by a company licensed to do business in the state of Florida may be acquired by Seller in an amount equal to or greater than the total amount of escrow deposits held by Escrow Agent pursuant

to the provisions of this Agreement, and other escrow agreements between Escrow Agent and affiliates of Seller. In such event, the escrowed funds shall be released to Seller by Escrow Agent for construction purposes only. Each Purchaser shall be debited at closing in an amount equal to the premium for the applicable portion of the bond securing his or her deposit. The master surety bond amount and the pro rata share of the bond premium debited against each Purchaser may be based on the reasonable projection of the annual escrow deposit amounts which will be withdrawn pursuant to this provision.

- 5. Modification. No rescission of this Agreement or modification of terms shall be made without the written consent of the parties to this Agreement.
- Entire Understanding. This Agreement constitutes the entire understanding of the parties with respect to the subject matter hereof and there are no representations, warranties, covenants or undertakings other than those expressly set forth in this Agreement.
- 7. Indemnification. Seller agrees to indemnify Escrow Agent for any and all expenses incurred by Escrow Agent, including but not limited to Escrow Agent's costs and reasonable attorneys' fees, including such costs and fees through all appellate levels, in any way arising out of or related to this Agreement other than such matters arising out of or related to the gross negligence or wrong doing of Escrow Agent.
- 8. Notices. All notices under this Agreement shall be in writing and shall be sufficient if mailed to the parties at their respective addresses herein set forth. Upon Seller's depositing of monies with Escrow Agent, Seller shall provide to Escrow Agent a copy of the Purchase Contract pursuant to which the monies are being deposited. Service of all notices on a Purchaser shall be sufficient if mailed to the Purchaser at the address set forth in the Purchase Contract.

IN WITNESS WHEREOF, the parties have set their hands and seals the day and year written above.

Witnesses:

SELLER:

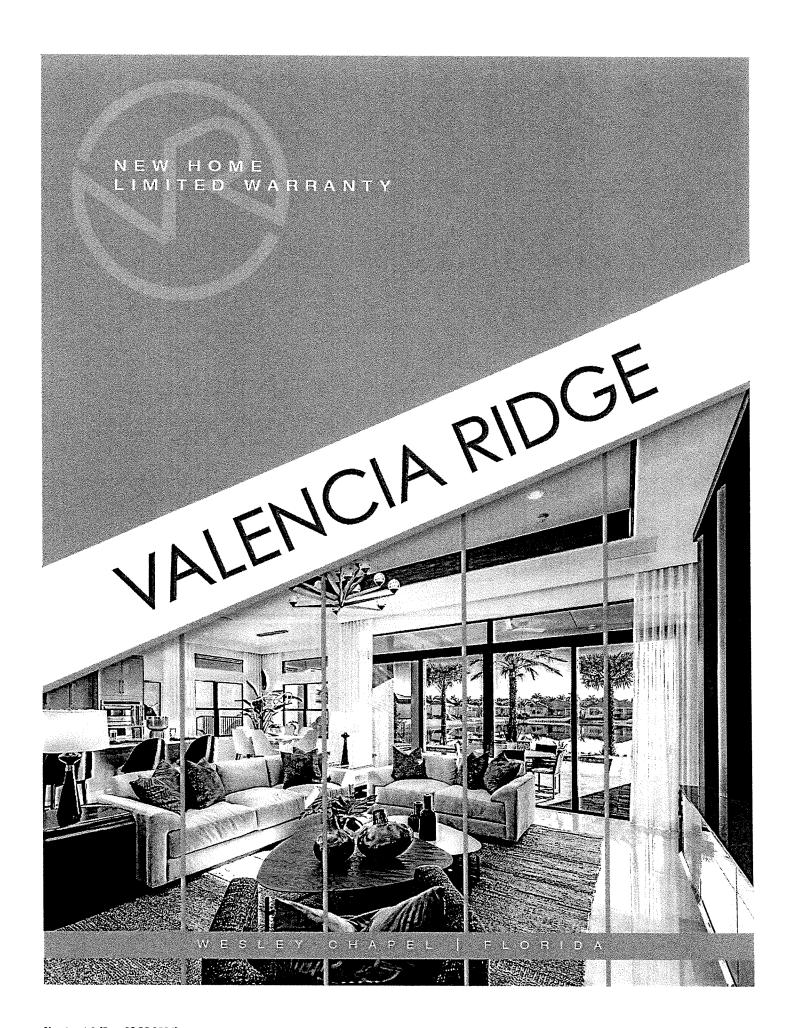
PASCO COUNTY ASSOCIATES I, LLLP, a Florida limited liability limited partnership

By: Pasco _County | Corporation, a

corporation, its general partner

ESCROW AGENT:

a Florida corporation



Dear Homeowner,

Congratulations on the purchase of your new home in Valencia Ridge! We appreciate the confidence you have placed in us, and we have developed this Guidebook to provide you the information you need to understand how your new home is expected to perform and what we are required to do in the unlikely event that your home does not conform to the Performance Guidelines set forth in our Limited Warranty.

Please take the time to read this Guidebook as it provides important information about your new home, including your legal rights and obligations if you have to make a claim under our Limited Warranty.

Thank you for choosing Valencia Ridge. We are so happy to welcome you to our neighborhood!

Sincerely,

PASCO COUNTY ASSOCIATES I, LLLP

NEW HOME LIMITED WARRANTY GUIDEBOOK

TABLE OF CONTENTS

A.	OVERVIEW	1
В.	DURATION OF LIMITED WARRANTY	2
C.	PERFORMANCE GUIDELINES	3
D.	OPTION TO REPAIR OR PAY FOR DEFECT	3
E.	LIMITATION OF SELLER'S LIABILITY	4
F.	DISCLAIMER OF OTHER WARRANTIES	5
G.	WARRANTY EXCLUSIONS	5
Н.	REQUESTING LIMITED WARRANTY SERVICE	7
I.	BINDING ARBITRATION AND DISPUTE PROCEDURES	9

Attachments:

- Limited Warranty Performance Guidelines
- Notice of Claim Form

NEW HOME LIMITED WARRANTY

A. OVERVIEW

PASCO COUNTY ASSOCIATES I, LLLP, a Florida limited liability limited partnership ("Seller") assures that the components of your new home will work as provided in this Limited Warranty. As part of our commitment to quality, value and integrity, your new home comes with a limited one (1) year warranty on workmanship and materials, a limited two (2) year warranty on systems, and a limited seven (7) year warranty on structural defects, all subject to the terms, conditions, limitations and exclusions set forth herein (collectively, the "Limited Warranty").

This Guidebook contains: the specific terms, conditions, limitations and exclusions of this Limited Warranty; the Performance Guidelines; and the notification form you will use if you would like to make a claim under the Limited Warranty. In the unlikely event of an irreconcilable dispute between you and Seller, the dispute will be handled by final and binding arbitration, and that process is part of the Limited Warranty and described below in this Guidebook.

Throughout this Guidebook the words "you" and "your" refer to the Homeowner, including any subsequent owners, and the words "we", "us" and "our" refer to the Seller.

Although your home was built to meet or exceed the Performance Guidelines of the Limited Warranty, keep in mind that the components of your home require that you properly maintain them in order for them to last as long as possible, including beyond the expiration of the Limited Warranty. Defects that arise from a lack of maintenance, even in the first year of your ownership, are not generally covered by the Limited Warranty. Also, if you make any changes or additions to the home, they are not covered by the Limited Warranty especially if they alter or damage any portions of the home as constructed by us.

Although this Guidebook is presented in a friendly manner, it is an important legal document that provides all of the terms, conditions, limitations and exclusions of the Limited Warranty, your rights as the Homeowner and the Seller's rights and obligations, so please keep this Guidebook in a safe place. Our Home Warranty Department representatives will use it to evaluate any warranty service requests you submit to determine if they are covered by the Limited Warranty.

IN PARTICULAR, THIS LIMITED WARRANTY INCLUDES AN AGREEMENT BETWEEN YOU AND US THAT ALL CLAIMS AND DISPUTES WILL BE RESOLVED EXCLUSIVELY THROUGH FINAL AND BINDING ARBITRATION AND NOT THROUGH LITIGATION. THIS MEANS THAT WE ARE EACH GIVING UP OUR RIGHTS TO GO TO COURT TO LITIGATE AND RESOLVE ANY CLAIM OR DISPUTE. Arbitration is a process in which persons with a dispute give up their right to file a lawsuit in court and, instead, agree to submit their dispute to a neutral third person (an "Arbitrator") for decision after presenting their claims and defenses in an informal proceeding. The decision of the Arbitrator, which usually follows quickly after the end of the proceeding, is then binding on the parties. This agreement to arbitrate may be enforced by either you or us.

It is important for you to carefully read this Guidebook in its entirety so that you can familiarize yourself with the Limited Warranty, the procedures for making a claim under the Limited Warranty, and the Performance Guidelines, all of which will be used to evaluate your warranty service requests.

The Limited Warranty is not a service contract, maintenance agreement or an insurance policy, and Seller does not provide you any insurance through or as a result of this Limited Warranty. You should always obtain homeowner's insurance to protect your home and your personal property, and your bank or other mortgage provider may require homeowner's insurance if you have a mortgage.

B. DURATION OF LIMITED WARRANTY

This Limited Warranty first goes into effect on the date you close on the purchase of the home from Seller and that date is referred to as the "Effective Date." The applicable warranty protection periods provided below are referred to in this Limited Warranty as the "Warranty Term." The Limited Warranty will automatically run to the benefit of each successor in title to the home for the remainder of the applicable Warranty Term. So, if you sell or transfer title to your home, you should provide this Limited Warranty to any subsequent owner of the home and let them know that they should contact us to provide us with their contact information. Any such change in ownership of the home will not, however, increase, reduce, restart or otherwise affect the coverage under the Limited Warranty for the remainder of the applicable Warranty Term. If you are an owner other than the original purchaser of the home, you are bound by all the terms and conditions of the Limited Warranty including, but not limited to, the claims procedures and requirement to submit any claims or disputes that may arise under the Limited Warranty to binding arbitration.

Subject to the Warranty Exclusions described below, for purposes of this Limited Warranty, a "Covered Defect" is a defect in the home during the applicable Warranty Term which results from: (i) materials or workmanship that were part of the home as delivered to you by Seller at closing and which do not conform to the Performance Guidelines, (ii) any plumbing, electrical, ventilating and mechanical systems which were installed by us as part of the home which do not conform to the Performance Guidelines, and (iii) a "Structural Defect" as defined below. The materials and workmanship, systems and Structural Defect descriptions are further explained below.

As long as you comply with the terms and conditions of this Limited Warranty, then Seller agrees to remedy Covered Defects by repairing the Covered Defects in a manner that will conform to the Performance Guidelines, or paying you the reasonable cost to repair the Covered Defects. The term "repair" as used in this Limited Warranty may instead be a replacement of the Covered Defect if Seller determines that a repair either cannot be completed to conform to the requirements of this Limited Warranty or the repair would be more costly than making a replacement.

1. ONE YEAR WORKMANSHIP AND MATERIALS AND TWO YEAR SYSTEMS WARRANTY

The Seller is providing you with a one (1) year limited workmanship and materials warranty and a two (2) year limited systems warranty for your home. This means that: (a) your home will conform to the workmanship and materials standards set forth in the Performance Guidelines for a period of one (1) year; and (b) for two (2) years, your home will be free from defects in certain plumbing, electrical, ventilating and other mechanical systems as set forth in the Performance Guidelines. The workmanship and materials limited warranty shall expire one (1) year following the Effective Date, and the systems defect limited warranty will expire two (2) years following the Effective Date. If a certain component of the home or manner of workmanship is not specifically provided in the Performance Guidelines, then it will not be considered a Covered Defect and therefore is not covered by the Limited Warranty; in which event, Seller shall have no obligation to repair or pay for the cost of repair of that system or manner of workmanship. Please be aware that some items in the Performance Guidelines are subject to a one-time only repair obligation and the

Warranty Term on any such one-time repair item expires upon our completion of the single repair.

2. SEVEN YEAR STRUCTURAL DEFECT WARRANTY

The Seller also warrants that your home will be free from Structural Defects (as defined below) for a period that ends on the earlier of: (a) 7 years following the Effective Date, or (b) the expiration of any applicable statute of limitations or statute of repose under applicable Florida Law.

A "Structural Defect" means actual physical damage to the designated load-bearing portions of the home caused by the failure of such load-bearing portions that affects their load-bearing functions to the extent that the home becomes unsafe, unsanitary, or otherwise unlivable. Load-bearing components for the purpose of defining structural defects are footings, bearing walls, lintels, beams, trusses, girders, bearing columns, load-bearing walls and partitions, roof framing systems and floor systems. The remaining elements of your home are not load-bearing elements under the Limited Warranty. Unless there is actual physical damage that prevents the load bearing structural element from performing its load bearing function such that the home is unsafe, the structural element will not be deemed a Structural Defect.

C. PERFORMANCE GUIDELINES

The Performance Guidelines attached to this Limited Warranty are incorporated herein and made a part of this Limited Warranty in their entirety. The Performance Guidelines apply to the one (1) year limited warranty on workmanship and materials and the two (2) year limited warranty on systems. These Performance Guidelines are the standards Seller commits it will meet, and any noncompliance by Seller within the applicable Warranty Term will call for repair as provided in this Limited Warranty. However, Seller is not responsible for discontinued items, changes in dye lots, colors or patterns, or items ordered outside of the original construction. Although Seller cannot guarantee exact color matches due to possible fading, deterioration or unavailability of any materials, Seller will try to its best to match and replace the Homeowner's original choice of colors and materials.

D. OPTION TO REPAIR OR PAY FOR DEFECT

For any Covered Defect, the Seller may elect to make a repair or pay you the reasonable cost of repairing the Covered Defect in lieu of making the repair, as Seller shall determine in Seller's sole and absolute discretion. If the Seller decides to repair any such Covered Defect, the design, method and manner shall also be within the Seller's sole discretion but shall at least conform to the Performance Guidelines. If the Seller repairs or pays the reasonable cost of repairing any Covered Defect which is covered by any other insurance or warranty, then upon request by the Seller, you agree to assign the proceeds of such insurance or the rights under such warranties to the Seller to the extent of the cost incurred by Seller for the repair or payment in connection with such Covered Defect. Nothing in this paragraph, however, shall require you to file any claim with an insurance carrier.

In the event of a Covered Defect which we elect to repair, we will take corrective action sufficient for the Covered Defect to be repaired in order for the Covered Defect to conform to the Performance Guidelines. In the event of a Structural Defect, the repair of such Structural Defect is limited to the following: (a) repair of damage to the load-bearing portions of your home necessary to restore their load-bearing function, as designed; (b) repair of those non-load-bearing portions damaged by the Structural Defect to the extent such repair is necessary to make the home safe, sanitary or otherwise

livable; and (c) repair cosmetic damages directly caused by the Structural Defect but only of those surfaces, finishes and coverings that were originally in the home when closing occurred. Repairs of Structural Defects are intended to restore the home to approximately the condition just prior to such Structural Defect, but not necessarily to a like-new condition.

1. HOMEOWNER'S OBLIGATION TO MAINTAIN THE HOME

You are solely responsible for performing routine maintenance of your home. Even quality materials cannot last forever, and your home will require proper care to keep it in good shape and condition. We are not responsible for any issues or damages that arise from matters caused by you or others, from climatic conditions, negligent or improper maintenance, or from ordinary wear and tear, and this Limited Warranty does not extend to any defects or damages resulting from such items. This also includes changes or alterations you make to the home such as changing the drainage, grading or landscaping which may damage your foundation or cause moisture intrusion issues. Also, you should be aware that all homes go through a period of settlement and movement, and your home may experience some minor material shrinkage, cracking and other events which are normal and customary, and therefore NOT a Covered Defect.

2. FAILURE TO PERMIT SELLER TO ACCESS THE HOME

Importantly, we must be granted access to your home during normal business hours to inspect and make timely repairs concerning a Covered Defect. Seller is not responsible for, and the Limited Warranty does not cover, any consequential or incidental damages you incur in order to give us access to the home. If you fail to give Seller the opportunity to access your home during normal business hours to inspect, conduct tests and/or make repairs, the Seller shall be relieved of any and all responsibility to make repairs of or pay for any Covered Defect. In other words, a denial of access to the home shall void the Limited Warranty with respect to your claim.

E. LIMITATION OF SELLER'S LIABILITY

Seller's total maximum financial liability under this Limited Warranty is limited to the original contract price paid by you to Seller for the home at closing (the "Warranty Limit"). Seller's financial liability shall be calculated based on the total of any and all repairs, replacements and payments made under the Limited Warranty by Seller, but shall never exceed the Warranty Limit regardless of the actual damages incurred by you. The Warranty Term shall not be extended by any repairs, replacements or payments made under the Limited Warranty, and there shall be no warranty whatsoever, express or implied, arising from the repair or replacement work performed by or on behalf of the Seller. However, any Covered Defects which are repaired or replaced by us within the Warranty Term shall continue to be covered by this Limited Warranty for the remainder of the Warranty Term.

UNDER NO CIRCUMSTANCES SHALL THE SELLER BE LIABLE TO YOU OR ANYONE ELSE FOR ANY SECONDARY, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, ALL SUCH DAMAGES BEING SPECIFICALLY EXCLUDED AND DISCLAIMED (INCLUDING, WITHOUT LIMITATION, DAMAGES RESULTING FROM CLAIMS FOR PROPERTY DAMAGE, LOSS OF USE, LOSS OF INCOME, LOSS OF MARKET VALUE, PERSONAL INJURY, DEATH AND/OR EMOTIONAL DISTRESS), AND YOU HEREBY RELINQUISH AND WAIVE ANY AND ALL RIGHTS YOU MAY HAVE TO ANY SUCH DAMAGES (CLAIMS

FOR SUCH SECONDARY, INCIDENTAL, CONSEQUENTIAL AND PUNITIVE DAMAGES BEING EXPRESSLY MADE UNAVAILABLE AND KNOWINGLY AND VOLUNTARILY WAIVED BY YOU). YOU ALSO AGREE NOT TO ASSIGN AND YOU HEREBY WAIVE ALL RIGHTS OF SUBROGATION OF YOUR INSURERS AND/OR ALL OTHER THIRD PARTIES. ANY SUCH ASSIGNMENT OR ATTEMPTED ASSIGNMENT SHALL BE VOID AND UNENFORCEABLE.

F. DISCLAIMER OF OTHER WARRANTIES

YOU ACKNOWLEDGE, UNDERSTAND AND AGREE THAT THIS LIMITED WARRANTY IS THE SOLE WARRANTY PROVIDED TO YOU IN CONNECTION WITH THE HOME, AND THEREFORE, EXCEPT ONLY FOR THIS LIMITED WARRANTY, THERE ARE NO WARRANTIES (EXPRESS OR IMPLIED) PROVIDED BY US IN CONNECTION WITH THE HOME. IN ADDITION AND WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, YOU FURTHER ACKNOWLEDGE, UNDERSTAND AND AGREE THAT EXCEPT AS EXPRESSLY PROVIDED IN THIS LIMITED WARRANTY, NEITHER SELLER NOR ANY OF SELLER'S PARTNERS OR AFFILIATES, AND/OR ANY OF THEIR RESPECTIVE PARTNERS, AFFILIATES, MEMBERS, MANAGERS, SHAREHOLDERS, DIRECTORS, OFFICERS, EMPLOYEES, AGENTS, SUCCESSORS AND/OR ASSIGNS, SHALL HAVE ANY LIABILITY OR RESPONSIBILITY WHATSOEVER (WHETHER IN CONTRACT, TORT, NEGLIGENCE OR OTHERWISE, AND REGARDLESS OF THE NATURE OF THE INJURY ALLEGED INCLUDING, WITHOUT LIMITATION, PROPERTY DAMAGE, PERSONAL INJURY AND/OR DEATH) TO YOU OR TO ANY OTHER PERSON FOR ANY LOSS, LIABILITY, CLAIM, EXPENSE, DAMAGE TO PROPERTY, AND/OR INJURY OR DEATH TO PERSON(S) ("LOSS") FROM ANY CAUSE WHATSOEVER (INCLUDING, WITHOUT, LIMITATION, ANY LOSS RESULTING FROM ANY ACTION, INACTION, OMISSION AND/OR NEGLIGENCE BY SELLER, SELLER'S AGENTS OR OTHERS), UNLESS SUCH LOSS IS DIRECTLY CAUSED BY SELLER'S FRAUD, GROSS NEGLIGENCE OR WILLFUL VIOLATION OF LAW. THE FOREGOING APPLIES TO ALL SUCH LOSSES, EVEN IF THE LOSS RESULTS FROM AN ASSERTED CLAIM BASED ON A THEORY NOT RECOGNIZED ON THE EFFECTIVE DATE.

Seller shall not be responsible under this Limited Warranty for any repairs made or costs, damages, or expenses covered and paid by homeowner's insurance or other insurance. If a Covered Defect is repaired or paid under this Limited Warranty before other applicable insurance pays for the Covered Claim, then you shall assign the rights to such insurance to Seller pursuant to Section D above. If you receive an insurance payment for a Covered Claim and we have completed a repair or paid you under this Limited Warranty for such Covered Claim, then you shall pay such insurance payment to us.

G. WARRANTY EXCLUSIONS

This Limited Warranty expressly excludes all of the following items which are specifically not considered a Covered Defect and are not covered by this Limited Warranty, and therefore Seller has no responsibility whatsoever to repair, replace or pay for any of the following:

- 1. Items defined as "Consumer Products" by the Magnuson-Moss Warranty Act or any manufactured items such as appliances, fixtures, equipment (except as specifically provided in the Performance Guidelines) or any other items which are covered by a manufacturer's warranty, nor does this Limited Warranty cover defects in any systems that are caused by the failure of any such manufactured items.
- 2. Loss or damage to land or any other property that is not part of the home covered by this Limited Warranty.
- 3. Loss or damage to landscaping including, without limitation, sod, shrubs, trees, plants and other landscaping materials.

- 4. Loss or damage which arises while your home is being used primarily for nonresidential purposes.
- 5. Loss or damage caused by, or resulting from, accidents, vandalism, riots, terrorism, theft, power surges or failures, acts of God, fire, blasting, explosion, smoke, water escape, tidal wave, lightning, hurricanes, tornados, earthquakes, floods, wind-driven waters, surface waters, overflow of a body of water, water spray from any the foregoing whether or not driven by wind, water below the surface of the ground (including water which exerts pressure on, or seeps or leaks through, a building, sidewalk, driveway, foundation, swimming pool, or other structure), springs or aquifers, hail or snow, falling objects, changes in the underground water table, buried debris, underground springs, sinkholes, soil movement (including subsidence, expansion, or lateral movement of the soil), fallen trees, aircraft, and/or vehicles.
- 6. Loss or damage to swimming pools and other exterior facilities; driveways; boundary walls, retaining walls and bulkheads (except where boundary walls, retaining walls and bulkheads are necessary for the structural stability of the home); walkways; streets; mail boxes; patios, decks, porches, screen enclosures and/or any other appurtenant structure or attachment to the home; fences; and/or sprinkler systems.
- 7. Construction deficiencies, defects, or violations of any applicable building codes, regulations or requirements of governmental authorities or any other conditions that have NOT caused or resulted in any physical damage to your home.
- 8. Any loss or damage that is caused, or made worse, by any of the following causes:
 - (a) Your failure to give prompt, proper or timely notice to the Seller of any Covered Defect or a failure to minimize or mitigate any defect, condition, loss or damage as soon as practicable;
 - (b) Improper maintenance, improper operation, negligence, and/or defective material or work supplied by anyone other than the Seller or its employees, agents or contractors:
 - (c) Microorganisms, fungus, decay, rotting of any kind, mold, mildew, vermin, termites, insects, rodents, wild or domestic animals, plants, rust, radon, radiation, formaldehyde, asbestos, irritants or pollutants of any kind (whether solid, liquid or gaseous), contaminants, toxins, carcinogenic fumes or substances, electromagnetic fields or emissions, or the presence of hazardous or toxic materials;
 - (d) Failure to maintain proper temperatures (cooling or heating) in the home; dampness or condensation caused by your failure to maintain adequate ventilation, and/or to maintain appropriate temperature and humidity levels within the home;
 - (e) Failure to maintain proper temperature settings on the water heater in the home and/or failure to operate any hot water recirculating system in accordance with manufacturer specifications;
 - (f) Failure to maintain and/or operate the HVAC system in accordance with its design criteria; and
 - (g) Abuse or misuse of your home or any part thereof.
- 9. Loss of use of the home (or any portion thereof), and/or relocation or other incidental costs including, without limitation, housing, transportation, food, moving, storage and/or other costs and expenses incurred due to loss of use of the home.

- 10. Loss or reduction in market value of the home.
- 11. Normal wear and tear or deterioration.
- 12. Any losses or damages occurring or incurred after the applicable Warranty Term expires.
- 13. Any Covered Defect that is NOT properly reported to us within thirty (30) days of the expiration of the Warranty Term.
- 14. Any work performed or material supplied incident to construction, modification or repair to the home performed by you, or anyone on your behalf, other than the Seller or its employees, agents, or contractors.
- 15. Any items listed in the Performance Guidelines as excluded or non-covered items.
- 16. Any items expressly excluded from this Limited Warranty pursuant to the terms of the Purchase Contract for the home.

H. REQUESTING LIMITED WARRANTY SERVICE

If you believe you have a Covered Defect during the applicable Warranty Term, the following are the steps to be taken by you to make a claim under this Limited Warranty:

STEP 1 - NOTIFY US IN WRITING

As soon as possible after you become aware of a problem that you believe is a Covered Defect, you must submit a notice of claim form to Seller to provide formal notice thereof. Seller offers the following ways to submit a notice of claim form: (i) through a mobile application entitled "My GL Home Warranty" which can be downloaded from your mobile device's application store; (ii) online through the following link: https://outsystems.glhomes.com/HomeWarrantyWebOwner/HomeScreen.aspx; telephone at (866) 979-2424; or (iv) in writing using the Notice of Claim Form located at the back of this Guidebook. For fastest results, we encourage you to submit your notice of claim form through the mobile application or online. If mailing, send the Notice of Claim Form only to the address set forth in the Notice of Claim Form to ensure it is submitted to our Home Warranty Department and we will respond as expeditiously as possible. Additional Notice of Claim Forms are available from our Home Warranty Department. Complete the Notice of Claim Form and provide as many details as you can about what you believe to be a Covered Defect including the date you first observed the condition that is the subject of your claim. If there are conditions surrounding a Covered Defect that could cause additional damage, you must notify us immediately. An example, for illustration purposes, would be a water leak which, if not quickly stopped, could cause continuing damage. But if there is something you can do to stop or minimize the damage (such as turning off the water source to stop an ongoing leak), then you should also do that. Also include information about your availability or the best days or times to reach you. For instance, if calling you at work is acceptable, let us know and provide the best contact information for us to reach you. Otherwise, we will attempt to reach you at the last phone number we have on file for you.

Any and all claims under this Limited Warranty must be submitted to us no later than thirty (30) days after the expiration of the applicable Warranty Term. It is important that you be aware that the Warranty Term varies for the different components, materials and equipment in your home. The Seller shall have no liability or obligation to respond to or cover any claim under this Limited Warranty whatsoever if the Seller has not received actual written notice of the claim within thirty (30) days after

expiration of the applicable Warranty Term. Late filed claims are excluded from this Limited Warranty.

STEP 2 - INVESTIGATION BY SELLER

Upon receipt of your Notice of Claim Form, we will review the information you provided and investigate your claims, which may include sending employees or consultants to your home to conduct inspections, tests or other analysis. In order to ensure proper handling of the investigation, your cooperation is expected and required. We will contact you to coordinate any inspection, test or other analysis of your home and schedule an appointment with you to occur during normal business hours (Monday through Friday, between the hours of 8:00 a.m. and 5:00 p.m.). You may also be asked to provide us with any information supporting your claim, along with any inspectors' and experts' reports, photographs and/or videotapes, if any. If you fail to cooperate or provide prompt and complete access to the home as we deem necessary to investigate your claim, Seller shall be excused from any liability or obligation to perform under this Limited Warranty.

STEP 3 - WAIT FOR SELLER'S RESPONSE AND DO NOT ENGAGE THIRD PARTY

Upon completion of our investigation, we will advise you to inform you of whether your claim qualifies as a Covered Defect and is covered by this Limited Warranty. If it is a Covered Defect, we will advise you whether we elect to repair, or replace the Covered Defect or pay you the reasonable cost of repair or replacement.

If you engage any third party to make repairs to a Covered Defect that would otherwise be covered under this Limited Warranty without prior written consent from us, Seller will not be obligated to reimburse you. However, you may incur reasonable expenses in making repairs without our prior written approval, only in the event of an emergency, provided such repairs are solely for the protection of the home from further damage or to prevent an unsafe living condition, and provided you notify us in writing immediately of any such action. In order to be considered for reimbursement of emergency repairs, you must provide us with an accurate written record of the repair costs and proof of payment for any work performed that would otherwise be covered under this Limited Warranty.

STEP 4 - SELLER'S REPAIR PROCESS/RIGHT TO CURE

To expedite the repair of a Covered Defect, we expect mutual cooperation in scheduling our access to your home during normal business hours. We will coordinate the timing with you which will also be based on the availability of necessary contractors and/or materials needed in connection with the repair. We ask that you remain flexible in order for us to complete the repair as soon as possible. We kindly request, and it is required, that you, or another adult 18 years of age or older, be present while we are completing any repairs inside of your home.

After completing our review and inspection of the issues reported in the Notice of Claim Form, if we determine there is a Covered Defect, Seller will repair the Covered Defect within a reasonable amount of time unless Seller elects to pay you the reasonable cost of the repair instead of performing the work. The reasonableness of the cure period to effectuate repair of a Covered Defect shall be determined based on all of the circumstances surrounding such Covered Defect. Correct diagnosis of the cause or

source of an alleged Covered Defect may involve a level of trial-and-error, which may extend the length of the cure period necessary to effectuate a repair. The Seller shall not be deemed to be in violation of this Limited Warranty as long as, upon receiving your completed Notice of Claim Form, the Seller proceeds diligently to investigate the issue and proceeds to address any Covered Defects in due course. All work, methods and materials necessary to repair a Covered Defect shall be performed or supplied by employees, contractors, laborers and materialmen chosen solely at the Seller's discretion, as long as the resulting repair is within the appropriate Performance Guidelines. The direction and supervision of the Seller's employees, contractors, laborers and materialmen rests exclusively with the Seller, and if you issue any instruction to anyone performing the repairs of a Covered Defect, or otherwise interfere with the Seller's efforts to repair a Covered Defect, this Limited Warranty's coverage of the Covered Defect shall be void.

STEP 5 – ASSIGNMENT OF CLAIM; ACKNOWLEDGMENT OF WORK PERFORMED OR RELEASE FOR PAYMENTS MADE IN LIEU OF REPAIR

Prior to our undertaking any repair or payment for any Covered Defect, you agree to assign to us all claims you may have against any other person or entity who we or you believe may have any responsibilities associated with the Covered Defect. When we complete the repair of any Covered Defect, you will also be asked to sign an acknowledgment of all work completed. If we make a cash payment to you in lieu of repairing a Covered Defect, you will be required to sign a full release of our liability for such Covered Defect as a condition of receiving the cash payment.

STEP 6 - IF YOU DISAGREE WITH US

We trust we will be able to amicably resolve any issues you may have. However, if you believe we have not met our obligations to you under this Limited Warranty, and you contend you have a claim for a construction defect against Seller, then before filing any arbitration or legal action against Seller, you must first follow and satisfy all of the requirements of Chapter 558, Florida Statutes. In the event you are still dissatisfied after complying with Chapter 558, then you may proceed with the binding arbitration proceedings as set forth below.

I. BINDING ARBITRATION AND DISPUTE PROCEDURES

THIS SECTION I GREATLY IMPACTS YOUR RIGHTS IN THE EVENT OF A DISPUTE WITH SELLER. DISPUTES, CONTROVERSIES AND CLAIMS (HEREINAFTER COLLECTIVELY, "CLAIMS") REGARDING THIS LIMITED WARRANTY SHALL BE RESOLVED SOLELY AND EXCLUSIVELY THROUGH FINAL AND BINDING ARBITRATION PURSUANT TO THE FEDERAL ARBITRATION ACT (9 U.S.C. §§1 *ET. SEQ.*). THE TERM "SELLER" AS USED THROUGHOUT THIS SECTION I SHALL MEAN SELLER AND ITS PARTNERS AND AFFILIATES, AND EACH OF THEIR RESPECTIVE PARTNERS, AFFILIATES, MEMBERS, MANAGERS, SHAREHOLDERS, DIRECTORS, OFFICERS, EMPLOYEES, AGENTS, SUCCESSORS AND ASSIGNS.

WHEN A CLAIM IS SUBJECT TO BINDING ARBITRATION PURSUANT TO THIS SECTION I, THAT MEANS YOU AND SELLER ARE GIVING UP THEIR RIGHTS TO GO TO COURT TO LITIGATE AND RESOLVE THE CLAIM. IN THAT REGARD, YOU AND SELLER HEREBY MUTUALLY, KNOWINGLY AND VOLUNTARILY AGREE THAT ANY AND ALL CLAIMS UNDER THIS LIMITED WARRANTY BY OR BETWEEN YOU AND SELLER, EVEN THOSE BASED UPON A THEORY NOT RECOGNIZED AT THE TIME THE PURCHASE CONTRACT FOR THE HOME WAS EXECUTED, SHALL BE SUBMITTED TO

FINAL AND BINDING ARBITRATION FOR RESOLUTION. SUCH CLAIMS INCLUDE ALL CLAIMS THAT ARISE FROM OR IN CONNECTION WITH, OR WHICH RELATE TO THIS LIMITED WARRANTY AND/OR ANY DISPUTES CONCERNING THE INTERPRETATION OR ENFORCEABILITY OF THE BINDING ARBITRATION AND DISPUTE PROCEDURES SET FORTH IN THIS SECTION I INCLUDING, WITHOUT LIMITATION, ITS VALIDITY, REVOCABILITY OR VOIDABILITY FOR ANY CAUSE, THE SCOPE OF ARBITRABLE ISSUES, AND ANY DEFENSE BASED UPON WAIVER, ESTOPPEL OR LACHES. THIS PROVISION SHALL APPLY TO ALL CLAIMS REGARDLESS OF THE LEGAL THEORY ALLEGED (INCLUDING, WITHOUT LIMITATION, BREACH OF CONTRACT, TORT, VIOLATION OF STATUTE, CODE, RULE OR REGULATION, OR BREACH OF ANY IMPLIED COVENANT OR DUTY), THE TYPE OF INJURY ALLEGED (INCLUDING, WITHOUT LIMITATION, MONETARY, PROPERTY DAMAGE, PERSONAL INJURY, EMOTIONAL INJURY, AND/OR DEATH) THE TYPE OF RELIEF SOUGHT (LEGAL OR EQUITABLE), OR THE TYPE OR AMOUNT OF DAMAGES SOUGHT (COMPENSATORY, PUNITIVE, CONSEQUENTIAL, SPECIAL, INCIDENTAL, AND/OR OTHERWISE).

Arbitration pursuant to this Section I shall be conducted by a single arbitrator of the American Arbitration Association (the "AAA") pursuant to the AAA's Construction Industry Arbitration Rules in effect at the time the request for arbitration is submitted. If those rules have been repealed or replaced at the time the arbitration claim is filed, the AAA's rules then most applicable to residential construction will apply. However, Seller shall be entitled to visually inspect and perform testing on any component claimed to have a construction defect and no AAA rule shall apply if it is inconsistent with the provisions of this Limited Warranty.

In the event the AAA is unable or unwilling to serve, then you and Seller shall select another reputable arbitration service having significant construction arbitration experience. If the parties are unable to agree on any such alternative arbitration service, then either party may petition any court of competent jurisdiction in Pasco County, Florida, to appoint such alternative arbitration service, which shall be binding on the parties. The rules and procedures of such alternative arbitration services in effect at the time the request for arbitration is submitted shall be followed. You and Seller agreed that any arbitrator selected or appointed pursuant to or in connection with this Section I shall be an attorney admitted to practice law in the State of Florida. Subject to the terms of this Limited Warranty, the Arbitrator shall be authorized to provide all recognized remedies available at law or in equity for any claim that is the basis of the arbitration utilizing the substantive laws of the State of Florida. The decision of the Arbitrator shall be final and binding and may be entered as a judgment in any state or federal court of competent jurisdiction.

MOREOVER, YOU AND SELLER HEREBY MUTUALLY, KNOWINGLY AND VOLUNTARILY WAIVE THE RIGHT TO A TRIAL BY JURY OF ANY CLAIM NOT ARBITRATED FOR WHATEVER REASON. THIS MEANS THAT ANY AND ALL CLAIMS BETWEEN THE PARTIES WHICH ARE BROUGHT IN A COURT OF LAW SHALL BE HEARD AND DECIDED BY A JUDGE AND NOT A JURY REGARDLESS OF THE LEGAL THEORY ALLEGED (INCLUDING, WITHOUT LIMITATION, BREACH OF CONTRACT, TORT, VIOLATION OF STATUTE, CODE, RULE OR REGULATION, AND/OR BREACH OF ANY IMPLIED COVENANT OR DUTY), THE TYPE OF INJURY ALLEGED (INCLUDING, WITHOUT LIMITATION, MONETARY, PROPERTY DAMAGE, PERSONAL INJURY, EMOTIONAL INJURY AND/OR DEATH), THE TYPE OF RELIEF SOUGHT (LEGAL AND/OR EQUITABLE) AND/OR THE TYPE OR AMOUNT OF DAMAGES SOUGHT (COMPENSATORY, PUNITIVE, CONSEQUENTIAL, SPECIAL, INCIDENTAL, AND/OR OTHERWISE). IN SUCH CASES, THE JUDGE, RATHER THAN A JURY, WILL BE THE TRIER OF FACT. IT IS THE CLEAR AND EXPRESS INTENT OF THE PARTIES HERETO THAT NEITHER PARTY SHALL SEEK A TRIAL BY JURY OF ANY CLAIM (INCLUDING, WITHOUT LIMITATION, ANY COUNTERCLAIM, CROSSCLAIM, THIRD PARTY CLAIM, AND/OR OTHERWISE). THIS WAIVER APPLIES TO ALL CLAIMS, EVEN THOSE BASED UPON A THEORY NOT RECOGNIZED AT THE TIME THE PURCHASE CONTRACT FOR THE HOME WAS EXECUTED, THAT ARISE FROM, IN CONNECTION WITH, AND/OR RELATE TO: (A) THIS LIMITED WARRANTY, (B) THE HOME, ITS DESIGN AND/OR ITS CONSTRUCTION, (C) THE REAL PROPERTY ON WHICH THE HOME IS SITUATED, (D) ANY COURSE OF CONDUCT, COURSE OF DEALING, AND/OR STATEMENTS (VERBAL AND/OR WRITTEN) OF THE PARTIES TO THE CLAIM, AND/OR (E) ANY ACTIONS AND/OR INACTIONS OF THE PARTIES TO THE CLAIM. THIS JURY TRIAL WAIVER IS IRREVOCABLE AND SHALL BE SUBJECT TO NO EXCEPTIONS.

NOTWITHSTANDING ANYTHING TO THE CONTRARY, NO ARBITRATION OR COURT PROCEEDING SHALL INVOLVE MORE THAN ONE SINGLE FAMILY HOME OR MORE THAN ONE UNIT IN A MULTI-FAMILY BUILDING. IN THAT REGARD, YOU AND SELLER HEREBY MUTUALLY, KNOWINGLY AND VOLUNTARILY AGREE THAT ANY DISPUTE RESOLUTION PROCEEDING, WHETHER IN ARBITRATION OR COURT, WILL BE CONDUCTED ONLY ON AN INDIVIDUAL BASIS AND NEITHER PARTY MAY BRING CLAIMS AGAINST THE OTHER AS A CLASS REPRESENTATIVE PLAINTIFF OR CLASS MEMBER IN ANY PURPORTED CLASS OR REPRESENTATIVE ACTION OR PROCEEDING, UNLESS BOTH YOU AND SELLER SPECIFICALLY AGREE TO DO SO IN WRITING FOLLOWING INITIATION OF THE DISPUTE RESOLUTION PROCEEDING. IN THAT REGARD, UNLESS BOTH YOU AND SELLER SPECIFICALLY AGREE IN WRITING OTHERWISE (WHICH NEITHER SHALL HAVE ANY OBLIGATION TO DO), AN ARBITRATOR OR JUDGE MAY NOT CONSOLIDATE OR JOIN CLAIMS INVOLVING MORE THAN ONE SINGLE FAMILY HOME OR MORE THAN ONE UNIT IN A MULTI-FAMILY BUILDING, AND MAY NOT OTHERWISE PRESIDE OVER ANY FORM OF A CONSOLIDATED, REPRESENTATIVE, OR CLASS PROCEEDING. ADDITIONALLY, AN ARBITRATOR OR JUDGE MAY AWARD RELIEF (INCLUDING, MONETARY, INJUNCTIVE, AND DECLARATORY RELIEF) ONLY IN FAVOR OF THE INDIVIDUAL PARTY SEEKING RELIEF AND ONLY TO THE EXTENT NECESSARY TO PROVIDE RELIEF NECESSITATED BY THAT PARTY'S INDIVIDUAL CLAIM(S) AND NO OTHERS.

Seller may, in its sole discretion, join as a party to the arbitration any third-party contractor, subcontractor, or supplier involved in the dispute, or any other party who Seller contends may be liable for the damages caused by the alleged Covered Defect.

The prevailing party in any proceeding regarding any claim between the parties shall <u>not</u> be entitled to recover any attorneys' fees or costs whatsoever. Each party shall bear its own attorneys' fees and costs, including all expert costs in connection with the arbitration or otherwise. However, the parties in the arbitration shall bear an equal share of the Arbitrator's and administrative fees of the arbitration proceedings.

YOU AND SELLER HEREBY ACKNOWLEDGE HAVING READ AND UNDERSTOOD THE MEANING AND RAMIFICATIONS OF THESE BINDING ARBITRATION AND DISPUTE PROCEDURES (INCLUDING, WITHOUT LIMITATION, THE ARBITRATION, WAIVER OF JURY TRIAL AND WAIVER OF CLASS AND REPRESENTATIVE PROVISIONS) SET FORTH IN THIS SECTION I. This Section I shall apply to all persons bound by or making a claim under this Limited Warranty.

YOUR EXECUTION OF THE PURCHASE CONTRACT FOR THE HOME ACKNOWLEDGED YOUR WRITTEN ACCEPTANCE OF AND AGREEMENT TO THIS LIMITED WARRANTY INCLUDING THE BINDING ARBITRATION AND DISPUTE PROCEDURES HEREIN. ACCORDINGLY, THESE BINDING ARBITRATION AND DISPUTE PROCEDURES SHALL BE DEEMED TO BE A SELF-EXECUTING ARBITRATION AGREEMENT. NOTHING IN THIS LIMITED WARRANTY MODIFIES (OR SHALL BE DEEMED TO MODIFY) ANY OF THE TERMS OR CONDITIONS OF THE PURCHASE CONTRACT.

LIMITED WARRANTY PERFORMANCE GUIDELINES

WORKMANSHIP AND MECHANICAL SYSTEMS COVERAGE

These Performance Guidelines apply to the one (1) year limited warranty on workmanship and materials and to the two (2) year limited warranty on systems. As outlined below, the majority of Covered Defects addressed pursuant to these Performance Guidelines have a Warranty Term of one (1) year following the Effective Date, unless otherwise expressly provided herein.

SITE WORK

<u>Drainage</u>

The home is constructed with grades and swales to carry storm water off the lot and maintain a positive drainage away from the home. Seller, under the Limited Warranty, ensures proper drainage within 10 feet from the home and swales within 20 feet from the home. Standing or ponding water shall not be permitted within these areas for a period beyond 24 hours (48 hours for swales) unless the standing or ponding water is due to severe weather, in which case water may remain in excess of the 24 or 48 hours. Seller is responsible for ensuring that proper grades, swales and drainage is established initially, but the Seller shall not be responsible for drainage deficiencies attributable to grading requirements imposed by state, county or local governing agencies. To establish the proper grades, swales and drainage away from the home, Seller implements the use of sod and landscaping as an integral part of the storm water management practice. The Homeowner is responsible to maintain the existing drainage and swales. Should Homeowner alter the grade, sod, landscaping and/or install fencing or any other improvement, Seller is no longer responsible for drainage under the Limited Warranty. Standing or ponding water outside of the areas described herein, or within 10 feet of the home but caused by retention in landscaped areas containing trees or unusual grading conditions, are not a deficiency under the Limited Warranty.

Ground Settlement

Settlement of the ground around foundation walls, utility trenches, or other filled areas shall not interfere with the water drainage from the home. Should the settlement of the ground around the foundation walls, utility trenches, or other filled areas exceed 6 inches, Seller will fill the areas which affect proper drainage one-time only within 1 year following the Effective Date. The Homeowner is responsible for the removal and replacement of landscaping, additional grading, or other improvements affected by the placement of such fill. Any landscape altered by Homeowner voids the Limited Warranty on ground settlement.

Soil Erosion

Soil erosion is a normal occurrence and is not covered under the Limited Warranty. It is the responsibility of the Homeowner to perform the necessary maintenance to reduce soil erosion.

FOUNDATION AND CONCRETE

Cracks in Concrete Footing or Foundation Walls

Concrete footings and foundation walls should be free of cracks that exceed ¼ inch in width. If a crack is greater than the acceptable width described herein, Seller will take the necessary action to make repairs, which may include, but is not limited to, using a material designed to fill cracks in concrete.

Cracks in Patio Slab and Sidewalks

Cracks in patio slabs and sidewalks are a common occurrence caused by environmental conditions which are outside the Seller's control and are not covered under the Limited Warranty.

Separation or Movement at Control Joints

Concrete slabs are specifically constructed with control joints to encourage expansion, contraction, movement and cracking at the joint areas rather than other areas of the slab. Therefore, separation and/or movement is a normal occurrence, should be expected and is not covered under the Limited Warranty.

Uneven Concrete Floor or Slab

Concrete floors in the living areas are to be free of variances and should not have uneven areas exceeding 3/8 inch in 32 inches. An exception is provided for floors that have been designed for specific drainage purposes. If a floor is not level and exceeds the tolerable dimensions, Seller will take necessary action to repair the floor, which may include, but is not limited to, leveling the surface with a material designed to repair uneven concrete.

Concrete Slab Cracks

Minor cracks in the concrete slabs can be expected and are considered normal. Under the Limited Warranty, Seller will repair cracks that exceed 3/16 inch in width or 3/16 inch in vertical displacement if the slab is in conditioned space or the crack interferes with the installation of finish flooring. Appropriate repair by Seller may include, but is not limited to, using a material designed to fill cracks in concrete. This

Limited Warranty shall not apply if Homeowner elects to install flooring after closing.

Cracks in Garage Floor

The concrete garage floor should be free of cracks in excess of 3/16 inch in width or 3/16 inch in vertical displacement. If the garage floor has cracks exceeding these dimensions, Seller will take corrective action to make the appropriate repairs using material designed to fill cracks in the concrete slab. The repair area may not match the existing floor exactly. The Limited Warranty does not apply towards chipping or spalling of concrete floors.

INTERIOR FLOOR CONSTRUCTION

SUBFLOOR AND JOISTS

Squeaky or Loose Flooring on Second Floor

Due to the nature of flooring materials, construction methods and changes in temperature and humidity, it is practically impossible to eliminate all flooring squeaks. Seller will take corrective action <u>one-time only</u> within 1 year following the Effective Date in attempt to reduce squeaking and/or loose flooring without mandating removal of the flooring. Seller does not guarantee or warrant your floor will be completely free of squeaks.

A Wood Subfloor is Uneven

Seller will take corrective action for floors that have uneven subflooring when the ridge or depression exceeds ¼ of an inch within any 32-inch measurement that is not at a transitional point between materials.

Flexure of Second Story Acoustical Concrete Subflooring

If the home has a second floor acoustical concrete subflooring, the second floor will exhibit flexure in the flooring system because acoustical concrete subflooring is not a poured in place concrete slab floor. Therefore, rigid floor coverings (such as, but not limited to, wood, marble and tile) could become damaged, including without limitation, damages caused by cracking, popping and grout separation. These inherent characteristics are not considered a defect and, therefore, are not covered under the Limited Warranty.

WALLS

WALL FRAMING

A Framed Wall is Not Plumb

Interior framed walls should not be out of plumb more than 3/8 inch per 32 inches in any vertical measurement. In situations where walls exceed these guidelines, Seller will make the necessary repairs.

The Wall is Bowed

Walls should not bow more than ½ inch out of line per 32 inches in any horizontal measurement or ½ inch out of line

within 8 foot vertical measurement. The Seller will make the necessary corrections for walls that exceed the acceptable measurements.

MOISTURE BARRIERS AND AIR INFILTRATION

EXTERIOR WALL LEAK

Exterior Wall Leaks Due to Failure of Caulking

Homeowner is responsible for maintenance of the caulking in all areas inside and outside the home. However, <u>one-time only</u> within 1 year following the Effective Date, Seller will take necessary action to repair an exterior wall that leaks due to failure of caulking material or improper caulking installation.

INSULATION

Insufficient or Missing Insulation

Seller will install insulation according to the R-values designated in the Purchase Contract or as required by the building code that was applicable at the time the home was constructed.

WINDOWS, GLASS AND EXTERIOR DOORS

WINDOWS AND GLASS

Glass Surfaces and Imperfections

Glass surfaces should not have scratches visible from 10 feet when looking through the glass during daylight and standing perpendicular to the glass without direct sunlight in accordance with the specifications outlined per the American Society for Testing Materials ASTM Standard Specification for Flat Glass C 1036. The scratch or imperfection must be in the view plane 90° to the window surface. Such scratches or imperfections will be repaired by the Seller for a period of 30 days following the Effective Date.

Impact Resistant Glass

Impact resistant glass is susceptible to scratching like any other glass surface and therefore is subject to the same standard set forth above in "Glass Surfaces and Imperfections". Impact resistant glass may also appear hazy and/or slightly distorted as a result of the design, construction and manufacturing process. If the impact resistant glass is not covered during a storm, heavy rain event or act of god, water will have direct contact and may infiltrate the impact resistant glass window. Such water infiltration is not covered by the Limited Warranty. Impact Resistant Glass is not shatterproof. Although Impact Resistant Glass is not intended to shatter, it does and may break and/or scratch in the event of impact which is not a defect. If a window or door with Impact Resistant Glass is broken or scratched, the entire window and frame may need to be removed and replaced by Homeowner. Such removal and replacement may result in damage to the stucco and other portions of the home. Seller shall not be responsible for any damage caused to the home as a result of any repairs to or replacement of the Impact Resistant Glass. These inherent characteristics are not considered a defect and, therefore, are not covered under the Limited Warranty.

EXTERIOR DOORS

An Exterior Door Sticks or Binds

Exterior doors should operate smoothly. However, most exterior doors can stick due to occasional periods of high humidity or with variations in temperature. If the door is not operating smoothly due to faulty workmanship or materials, then the Seller will take corrective action to adjust or replace the door.

Sliding Patio Door Does Not Operate Smoothly

Sliding patio doors should slide smoothly without coming off the track during normal operation. If the sliding door fails to preform to this standard, the Seller will adjust the door one-time only within 1 year following the Effective Date. The Homeowner should perform regular maintenance to keep the tracks, channels and operating mechanisms clean and lubricated.

Door Hardware Does Not Operate Smoothly

A door knob, deadbolt or lockset should not stick or bind during operation. The Seller will adjust, repair or replace the hardware <u>one-time only</u> within 1 year following the Effective Date.

GARAGE DOOR

Garage Door not Operable

Garage Doors should function as designed and operate properly under normal use. Doors that do not comply with the Performance Guidelines will be corrected by the Seller to meet the requirements.

EXTERIOR FINISHES

MASONRY AND VENEER

Crack in Masonry or Veneer Wall

It is common for cracks to develop due to shrinkage and minor settlement in masonry or veneer walls and is considered normal. However, cracks visible from over 20 feet away or larger than ¼ inch in width are covered by the Limited Warranty and will be repaired by the Seller. Some acceptable methods of repair include tuck pointing, patching, and/or painting. Although the Seller will try to match the finish of the repair to the original masonry, variations may occur and are not covered under the Limited Warranty.

STUCCO COATINGS

Crack in Exterior Stucco Wall

It is common for hairline cracks to develop in exterior wall stucco or cement plaster surfaces. Cracks that exceed 1/8 inch in width will be repaired by Seller one-time only within 1 year

following the Effective Date. Acceptable repair may include caulking and touch-up paint. An exact color and/or texture match may not be attainable and is not covered under the Limited Warranty.

Stucco Coating Separated

The stucco coating on an exterior wall should not separate from the base stucco layer. Seller will take necessary action to repair the separated stucco. The Seller will try to match the original color and texture, but a perfect match is not covered by the Limited Warranty.

EXTERIOR TRIM

Gaps in Exterior Trim

Exterior trim elements, including siding and masonry, should be free of gaps wider than ¼ inch. The Seller will repair trim elements that have gaps which exceed the allotted tolerance. Caulking of the gaps is an acceptable repair by Seller.

EXTERIOR PAINT OR STAIN

Peeled or Flaked Paint

Exterior paints and stains should not peel or flake within 1 year following the Effective Date. For paint or stain that has peeled, flaked, or blistered, the Seller will prepare and refinish the affected area to match the original as close as possible. However, a perfect match is not covered by the Limited Warranty. Seller shall make this repair <u>one-time only</u> within 1 year following the Effective Date.

ROOF

ATTIC VENT AND VENTILATION

Leaks from Attic Vent

Attic vents should not leak. The Seller will repair and/or replace leaky vents as necessary, with the exception of infiltration due to elements such as wind-driven rain which is not covered by the Limited Warranty.

Insufficient Attic Ventilation

The roof vent area is built to meet the requirements of the building code that was applicable at the time the home was constructed and should ventilate accordingly. The Seller will correct any ventilation deficiencies to meet code requirements. Attic ventilation can be corrected in variety of ways which may include the installation of properly sized ridge vents, soffit vents, gable vents, attic fans or any combination thereof. The Homeowner is responsible to keep the vent locations free from obstructions and objects that can inhibit proper ventilation.

ROOF COVERING

Roof or Flashing Leaks

Roof or flashing should not leak under normal conditions. The Seller will repair roof or flashing leaks that occur during normal weather conditions and unrelated to extreme weather events. The Limited Warranty will not cover leaks due to debris which was caused by lack of maintenance of Homeowner and/or leaks caused by events outside the Seller's control, such as abnormal weather.

Shinales/Roof Tiles Blown Off Roof

Shingles and roof tiles are installed according to the manufacturer's installation instructions and therefore should perform without blowing off under normal weather conditions. Seller shall repair shingles or roof tiles blown off in winds less than the manufacturer's specifications. However, if the shingles or roof tiles were correctly installed by Seller and are blown off in winds less than manufacturer's specifications, the blown off shingles or roof tiles shall be covered under the manufacturer warranty. Shingles or roof tiles that are blown off due to wind velocities exceeding manufacturer's tolerances are not covered by the Limited Warranty.

Cracked or Broken Roof Tile

If a roof tile is cracked or broken, Seller will repair the roof tile to the extent materials are available to make the repair unless the cracked or broken roof tile was due to Homeowner's action or negligence. Broken roof tiles will not be replaced by Seller under the Limited Warranty unless the underlayment is exposed.

Standing Water on Roof

Water should drain properly on a flat roof and should not accumulate more than 3/8 inches in depth for more than 24 hours after rainfall ceases (although minor ponding can be expected). The Seller will make necessary repairs to the roof in such occurrences, unless the ponding is due to debris accumulation, which is a maintenance responsibility of the Homeowner and not covered under the Limited Warranty.

GUTTERS AND DOWNSPOUTS

Gutter or Downspout Leaks

With the proper maintenance and care of Homeowner, the gutters and downspouts should not leak. If gutters or downspouts leak during normal rainfall and are free of debris, the Seller will make the necessary repairs.

Water Collects in Gutter

With the proper maintenance and care of Homeowner, gutters unobstructed by debris should not exceed water levels of ½ inch in depth after normal rainfall. If such water ponding occurs, the Seller will take the necessary action to repair.

PLUMBING

WATER SUPPLY SYSTEM

Leaks in a Valve or Fitting

A pipe, valve or fitting should not leak, and corrective action will be taken by the Seller for a period of 2 years following the Effective Date to eliminate such leaks. Condensation on pipes or leakage caused by worn or defective washers or seals are not covered by the Limited Warranty. The temperature setting on the water heater in the home should never be set to exceed 120 degrees Fahrenheit. Seller shall not be responsible for leaks caused or worsened by either a failure to maintain proper temperature settings on the home's water heater or improper use of a hot water recirculation system.

Water Freezes in Pipe

Drain, waste, vent and water pipes will be adequately protected to reduce the possibility of freezing at the design temperatures and based on the prevailing building or plumbing codes. Seller will correct conditions which do not meet the prevailing building or plumbing codes for a period of 2 years following the Effective Date. Homeowner is responsible for draining the pipes and exterior faucets exposed to freezing temperatures and to maintain suitable temperatures to prevent burst pipes.

Water Supply System Fails to Deliver Water

Seller shall be responsible for all on-site service connections installed by Seller to the municipal water main or private water supply. Seller will repair the water supply system if the failure results from improper installation or the failure of materials for a period of 2 years following the Effective Date. Conditions which are beyond the control of the Seller that disrupt or eliminate water supply are not covered by the Limited Warranty.

Noisy Pipe

It is normal for a water piping system to emit some noise. This noise is caused by the expansion and contraction of the flow of water and such noises cannot by completely eliminated by Seller. However, the pipes should not make a pounding noise called *water hammer*. Seller will remedy noisy pipes due to *water hammer* to meet the prevailing plumbing code.

PLUMBING FIXTURES

Leak in Faucet, Bathtub or Shower

It is the maintenance responsibility of the Homeowner to maintain caulk seals around the faucets, bathtubs or showers. For leaks that are a result of defects in material or workmanship, Seller will make the necessary repairs and/or replacements to eliminate leakage during the Limited Warranty period.

Defective Plumbing Fixture, Appliance or Trim Fitting

All plumbing fixtures, appliances and trim fittings shall be in good working order at closing. Any subsequent defects in the plumbing fixtures, appliances and trim fittings are covered under the manufacturer's warranty.

SANITARY SEWER OR SEPTIC SYSTEM

Drainage Issues

If wastewater fixtures and pipes frequently clog or drain slowly from improper installation or defective construction, the Seller will make the necessary repairs for a period of 2 years following the Effective Date. The Limited Warranty does not cover drainage clogged by actions or negligence of the Homeowner. Seller is not responsible for sewer pipes that extend beyond the property lines on which the home is constructed.

ELECTRICAL

FUSES AND CIRCUIT BREAKERS

<u>Frequent Tripping of a Ground Fault Circuit Interrupter (GFCI)</u> <u>or Arc Circuit Interrupter (AFCI)</u>

Ground Fault and Arc Fault Circuit Interrupters are safety devices installed in accordance with applicable electrical codes to protect against electrical shock and should perform as intended. Some tripping is to be expected and is considered normal. Seller will repair or replace components that frequently trip due to improper installation or component failure.

Circuit Breakers Trip (non- GFCI or AFCI) or Fuses Blow

Fuses should not blow and the non-Ground Fault Circuit Interrupter (GFCI) or Arc Circuit Interrupter (AFCI) should not trip excessively with average use. Seller will check wiring, circuits and components for conformity with applicable electrical code requirements and correct noncompliant elements.

OUTLETS AND FIXTURES

Malfunction of Outlets or Fixtures

Electrical outlets, switches and fixtures in the home are to operate as designed. If malfunctions occur, the Seller will repair or replace the defective electrical outlets, switches or fixtures.

Failure of Wiring to Carry the Designed Load

The wiring in the home was constructed according to applicable electrical code requirements and will be capable of carrying the designed load for normal residential use. If the wiring fails to carry the designed load for normal residential use, Seller will make the corrections to have the wiring conform to code for a period of 2 years following the Effective Date.

Tarnished Light Fixture

Discoloration may occur due to the elements and the normal operation of the fixture. Although the finishes on light fixtures are not covered under the Limited Warranty, it may be covered under the manufacturer's warranty. Homeowner should reach out to the manufacturer directly.

INTERIOR CLIMATE CONTROL

AIR INFILTRATION AND DRAFTS

Drafts from Doors or Windows

Doors are installed in a specific manner so that gaps at the perimeter can accommodate the expansion and contraction of the materials caused by variations in temperature and humidity. Weather stripping seals the gaps and provides the door to operate properly while eliminating excessive air infiltration. Some infiltration around doors and windows is normal and can be more noticeable in high wind. Seller will repair if daylight is visible around frame when exterior door or window is closed.

HUMIDITY CONTROL AND CONDENSATION

Water, Ice or Frost is Visible on Window

Condensation is a normal occurrence and is a result of moisture collecting on the surface during changes in temperature or humidity. Due to the nature of such condensation being outside the Seller's control, it is not covered under the Limited Warranty. If the issue is directly attributed to faulty installation, then the Seller will take the necessary corrective action.

DUCTS AND AIRFLOW

Noisy Ductwork

The ductwork in the home is constructed and installed in accordance with the building code that was applicable at the time the home was constructed. Ticking or crackling sounds from the ductwork is considered normal and is caused by the expansion or contraction of the metal during various changes in temperature. Booming noises caused by oil canning, which is the result of sheet metal billowing in or out, is considered excessive. Seller will take corrective action for oil canning and will repair any ductwork that does not comply with the building code that was applicable at the time the home was constructed.

Separated or Detached Ductwork

The ductwork in the home should remain intact and securely fastened. Seller will reattach and secure any ductwork that has detached or separated for reasons not caused by Homeowner for a period of 2 years following the Effective Date.

HEATING AND COOLING SYSTEMS

Heating System is Inadequate

The heating system has been installed in accordance with the building code that was applicable at the time the home was constructed and will be capable of producing an inside temperature of at least 72 degrees Fahrenheit as measured in the center of each room at a height of 5 feet above the floor based upon local outdoor winter design conditions. In the case of outside temperatures below 43-48 degrees Fahrenheit the system should keep the inside temperature 24-29 degrees Fahrenheit warmer than the outside temperature in accordance with the ACCA Manual J Table 1A (a published set of industry standards relating to heating and cooling system designs) in effect as of the Effective Date. Homeowner is responsible for maintaining and adjusting the system according to manufacturer recommendations, which includes balancing dampers and registers. The system's performance may be affected due to closed interior doors, closed registers, and dirty filters restricting airflow. Seller will make the necessary corrections to the heating system to meet the designed temperature described above.

Cooling System is Inadequate

The cooling system has been designed and installed in accordance with the building code that was applicable at the time the home was constructed and will be capable of maintaining a minimum temperature of 75 degrees Fahrenheit, as measured in the center of each room at a height of 5 feet above the floor based upon outside temperatures of 90-93 degrees Fahrenheit. Homeowner is responsible for maintaining and adjusting the system according to manufacturer recommendations, which includes balancing dampers and registers. The system's performance may be affected due to closed interior doors, closed registers, and dirty filters restricting airflow. Seller will make the necessary corrections to the cooling system to meet the designed temperature described above. Consistently running your cooling system below the designed temperature may result in excessive condensation and mold. If any claim under this section is due to the Homeowner's failure to maintain the designed temperature, such claim is not covered under the Limited Warranty.

Condensate Line Cloq

Condensate lines will eventually clog under normal use. It is the Homeowner's responsibility to clean and maintain the condensate lines that extend from the air conditioning coil. A blockage of the condensate line is not covered under the Limited Warranty.

Leak in Refrigerant Line

Refrigerant lines and fittings should not leak under normal operation. Unless the damage is caused by the Homeowner's actions, improper maintenance or negligence, Seller will repair the leaking lines and recharge the air-conditioning unit as required for a period of 2 years following the Effective Date.

Condensation on AC Components

Condensation on the outside of the air handlers, registers, grills, plenum, refrigerant lines or ducts is often caused by changes in temperature and humidity, in which event, condensation is expected. Such condensation is not covered under the Limited Warranty. If, however, condensation is directly attributed to faulty installation, Seller will take the necessary corrective action.

INTERIOR FINISHES

INTERIOR DOORS

Warped Interior Door

Interior Doors should be operable and should not be warped more than ¼ inch as measured diagonally from corner to corner. Seller will repair or replace an interior door that exceeds the acceptable tolerance with a comparable product. Seller is not responsible for refinishing doors which have been finished by the Homeowner or improperly maintained by Homeowner.

Bifold and Bypass Doors off Track

As of the Effective Date, all bifold and bypass doors will be operational and slide properly in their tracks. Seller will adjust bifold and bypass doors which do not stay on its track during normal operation <u>one-time only</u> within 1 year following the Effective Date. It is the responsibility of the Homeowner to perform routine maintenance in keeping the tracks clean and the mechanism components lubricated.

Door Rubs Against Floor

Doors should operate smoothly and should not rub or stick on the floor. Seller will adjust the doors that fail to operate smoothly <u>one-time only</u> within 1 year following the Effective Date. Such repair may include, but is not limited to, undercutting the bottom of doors with carpet flooring as required to prevent dragging on the floor. If flooring was not installed by Seller, this one-time door adjustment is excluded from the Limited Warranty.

Saueaky Door Hinge

If a door hinge squeaks, Seller will do an adjustment <u>one-time</u> <u>only</u> within 1 year following the Effective Date to correct the squeaky hinge.

Door Knob or Latch Does Not Operate Smoothly

One-time only within 1 year following the Effective Date, Seller will make necessary corrections to doors knobs or latches that stick or do not operate as intended by manufacturer, unless such conditions occur due to improper physical damage or improper handling by the Homeowner.

INTERIOR STAIRS

Stair Riser of Tread Squeaks

Stair squeaks may not be avoided completely; however, load squeaks caused by loose stair raisers or treads are considered excessive and will be repaired by Seller <u>one-time only</u> within 1 year following the Effective Date.

Loose Stair Railing

Stair railings have been securely constructed to meet the requirements of the building code that was applicable at the time the home was constructed. Even so, slight movement may occur under normal use. If a stair railing loses rigidity due to reasons other than damaging actions by the Homeowner, Seller will secure any loose stair railing under the Limited Warranty.

TRIM AND MOLDINGS

Gaps in Non-Mitered Trim and Molding Joints

There should be no gaps larger than 1/8 inch in width at the joints in trim, molding, or between moldings and adjacent surfaces. Gaps exceeding the allowed measurement will be repaired by Seller. Joints in trim or molding that separate due to the Homeowner's lack of temperature and humidity control in the home are excluded from the Limited Warranty.

Nails Not Set or Nail Holes Not Filled

Nails should be set, and nail holes should be filled so that neither would be visible from a standing position at a distance of 6 feet under normal conditions. Seller will set nails and fill nail holes in finished areas which do not comply with this standard. A perfect match of the repaired area is not guaranteed. Nail holes in base and trim molding installed in unfinished rooms and areas not exposed to view (such as inside of closets) are excluded from the Limited Warranty.

Trim or Molding Mitered Edges Do Not Meet

There should be no gaps larger than 1/8 inch in width between mitered edges in trim or molding. In cases where such occurs, Seller will take corrective action <u>one-time only</u> within 1 year following the Effective Date. Gaps in trim or molding that separate due to the Homeowner's lack of temperature and humidity control in the home are excluded from the Limited Warranty.

Interior Trim Split

Interior trim should be free of splits, cracks and checking larger than 1/8 inch in width and will be repaired by Seller one-time only within 1 year following the Effective Date. A perfect match of the refinished or replaced area to the existing surface is not guaranteed.

Uneven Wood Trim

Variations and uneven characteristics in natural wood trim are common, not considered defects and are excluded from the Limited Warranty.

CABINETS

Cabinets Do Not Meet Ceiling or Wall

Gaps between cabinets and the ceilings or walls should not be larger than ¼ inch in width. Seller will adjust or repair excessive gaps. Acceptable repair may include repositioning or reinstalling cabinets and/or filling the gap with caulk, putty, or scribe molding.

Warped Cabinet Door or Drawer

Seller shall take necessary action to correct cabinet doors or drawer fronts if warpage is more than ¼ inch from the face frame to the furthermost point of warpage while the door or drawer is in closed position. However, if the warpage occurred due to the Homeowner failing to control the humidity in the home, the warpage is excluded from the Limited Warranty.

Binding Cabinet Door or Drawer

Cabinet doors and drawers should operate with reasonable ease. For door and drawers that do not open or close easily, Seller will adjust or replace cabinet door hinges or drawer hardware <u>one-time only</u> within 1 year following the Effective Date.

COUNTERTOPS

Crack or Chip in High-Pressure Laminate Countertop

The high pressure laminate countertops should be free of cracks or chips larger than 1/16 inch as of the Effective Date. The Homeowner should carefully inspect the countertops during the final walk through and report defects larger than the tolerated measurement in order for Seller to make necessary repairs. Such cracks or chips will be repaired by the Seller for a period of 30 days following the Effective Date.

Countertop Visibly Scratched

Countertops should be free from scratches visible from 6 feet away under normal lighting conditions. The Homeowner should carefully inspect the countertops during the final walk through and report any scratches in order for Seller to make necessary repairs. Seller will repair such scratches that are visible from further than the allowed distance during the first 30 days following the Effective Date.

Cracked Stone, Quartz or Solid-Surface Countertop

A granite, marble, stone, quartz or solid-surface countertop should not have a crack larger than 1/32 inch in width. If the crack is recognized to be due to faulty installation or defective product, Seller will repair or replace the countertop. An acceptable method of repair by Seller can include patching.

Variations in Stone or Solid-Surface Countertop

Granite, marble, and other natural stone will have variations in color and pattern, which are characteristics of the natural product and are not considered defects and are excluded from the Limited Warranty.

Countertop Does Not Meet Wall

Gaps between the countertop and wall should not be larger than ¼ inch in width. Seller will adjust or repair the excessive gap under the Limited Warranty. Acceptable repair may include repositioning or reinstalling the countertop and/or filling the gap with calk, putty, or scribe molding.

INTERIOR WALL FINISH

GYPSUM WALLBOARD OR DRYWALL

Nail Pop, Blister, or Other Blemish on Finished Wall or Ceiling

Finished walls should be free from nail pops, blisters, or other blemishes visible from a standing position at a distance of 6 feet under normal lighting conditions. Seller will repair such blemishes that exceed the tolerable specifications <u>one-time only</u> within 1 year following the Effective Date. These conditions should be reported towards the end of such 1 year period to allow for settlement of the home. The texture and paint color will be matched as closely as possible, but may not match the existing finish and color exactly. Seller is not responsible to repair nail pops or blisters that are not visible, such as covered by wallpaper or in a closet.

<u>Drywall Surface Contains Cracked Corner Bead, Excess Joint Compound, Blisters or Trowel Marks</u>

Drywall surfaces should be free of defects such as cracked corner bead, trowel marks, excessive joint compound or blisters in tape. If such defect exists, Seller will repair the affected area of the wall <u>one-time only</u> within 1 year following the Effective Date. These conditions should be reported towards the end of such 1 year period to allow for settlement of the home. The texture and paint color will be matched as closely as possible, but may not match the existing finish and color exactly.

Drywall is Cracked

Drywall cracks greater than 1/16 of an inch is considered excessive. Seller will repair such cracks that exceed the tolerable specifications <u>one-time only</u> within 1 year following the Effective Date. These conditions should be reported towards the end of such 1 year period to allow for settlement of the home. The texture and paint color will be matched as closely as possible, but may not match the existing finish and color exactly.

Uneven Textured Ceilings

Inherent inconsistencies of texture from sprayed or textured ceilings are to be expected. Such variances are intended, and are excluded from the Limited Warranty.

INTERIOR PAINT

Paint Splatters on Interior Surface

An interior surface should be free of paint splatters visible from a standing position at a distance of 6 feet under normal lighting conditions. In the event that such splatters occur, Seller will remove the paint and clean the surface.

Interior Surfaces Not Covered by Paint

The surface being painted shall not show through the new paint from a distance of 6 feet under normal lighting conditions. Seller shall repaint the interior surfaces which do not comply with this standard <u>one-time only</u> within 1 year following the Effective Date.

FLOORING

CARPET FLOORING

Carpet Does Not Meet at the Seams

It is normal for carpet seams to show. However, Seller will correct any gaps in carpet seams which are visible from a standing position.

Carpet is Stretched or Loose

When wall-to-wall carpeting is stretched and secured properly, it should not unfasten, loosen, or separate from the points of attachment. Seller will restretch and/or resecure carpet that is stretched or loosened one-time only within 1 year following the Effective Date.

Carpet is Faded or Discolored

Carpet that has fading, staining, or discoloration due to a carpet defect and not from the Homeowner's actions or improper maintenance should be directed towards the manufacturer's warranty and is excluded from the Limited Warranty.

Carpet appears to be Different Colors

Carpet for a room is ordered and installed from a single manufacturer's dye lot. Variances in shade should be addressed under the manufacturer's warranty and is excluded from the Limited Warranty.

HARDWOOD FLOORING

The following Performance Guidelines standards for hardwood flooring shall not apply if the Homeowner fails to properly maintain the hardwood floors. The Homeowner should use only cleaning products recommended by the manufacturers to prevent damage.

Gaps between Hardwood Floor Boards

While it is common for gaps to appear between hardwood floor boards after installation due to fluctuations in the relative humidity of the house, gaps between hardwood floor boards should not exceed 1/8 inch in width. Gaps exceeding

the tolerable width will be repaired by Seller. Seller is not responsible for discontinued patterns or color variations of the floor covering. The Homeowner is responsible for maintaining proper humidity levels in the home to minimize gaps between floor boards.

Cupping or Crowning of Hardwood Floor Boards

Cupping or crowning of hardwood floor boards after installation often results from exposure to moisture, including high humidity levels. Such occurrence is beyond the Seller's control and is excluded from the Limited Warranty. It is the Homeowner's responsibility to maintain proper humidity levels in the home to minimize cupping and crowning. If the cupping or crowning is the result of a deficiency in workmanship or material and the cupping or crowning exceeds 1/16 inch in height in a 3-inch maximum span measured perpendicular to the long axis of the board, Seller will correct the deficiencies <u>one-time only</u> within 1 year following the Effective Date.

Excessive Lippage along the Joints of Prefinished Wood Flooring Products

There should be no lippage along the joints of prefinished wood flooring products greater than 1/16 inch. Seller will repair the lippage to meet the guidelines if the lippage has been caused by a deficiency in workmanship or material.

Wood Floor is Out of Square

On a wood floor, the diagonal of triangle with the sides of 12 feet and 16 feet along the edges of the floor will be no more than ½ inch more or less than 20 feet. Seller will make the necessary modifications in the most practical manner to any floor that does not comply with the performance guideline for squareness. The modification by Seller will produce a satisfactory appearance and may be either structural or cosmetic.

TILE, BRICK, MARBLE AND STONE FLOORING

Grout Joints

Certain characteristics related to the shape of the tile, such as chiseled, scalloped or micro-beveled edges, may create the appearance of larger grout joints and wider tile spacing. Grout for rectified porcelain tiles with micro-bevel edges is filled to the bottom of the square edge of the tile and grout for rectified porcelain tiles without a beveled edge is filled below the top edge of the tile. Since the edge of the tile is not manufactured with the same finish colors as the top surface of the tile, the edge of the tile will be visible above the grout. These characteristics and conditions of the grout and the grout joints are not defects and are excluded from the Limited Warranty.

Inconsistencies in Porcelain Tile

Actual colors, shades and patterning of tiles can vary. As a result of the kiln firing process, porcelain tiles are not perfectly flat or square. Porcelain tiles can be convex or concave in shape, which is known as warpage. Rectified

porcelain tiles have a difference in elevation between the edges of the tiles, which is known as lippage. Polished porcelain tiles are prone to optical hazing which may give the tiles a hazy or cloudy appearance under certain lighting conditions. These color and shade variations, warpage, lippage and/or optical hazing are not defects in the porcelain tiles but are characteristics caused by the manufacturing process beyond Seller's control and are excluded from the Limited Warranty.

Scratches on Tile

Due to the nature of high gloss, polished and/or glazed finished tiles, scratching, curling and waving can be expected and are excluded from the Limited Warranty.

Tile, Brick, Marble or Stone Flooring Loose or Broken

Stone, tile or brick flooring should not be loose or broken. Seller will repair or replace broken or loose stone, brick, marble or tile flooring, unless the damage was due to the Homeowner's actions or negligence. Seller is not responsible for discontinued patterns or color variations when replacing tile, brick, marble, or stone flooring.

Cracks in Tile Grout or at the Junctures with Other Materials

Cracks in the grouting of tile joints are commonly a result of certain shrinkage conditions and are normal. However, gaps that are larger than 1/16 inch or result in loose tiles will be corrected by Seller <u>one-time only</u> within 1 year following the Effective Date. Acceptable repair by Seller may include the use of grout caulk or elastic material in lieu of grout.

Lippage of Adjoining Marble or Ceramic Tile

The separation between tiles is necessary to provide transition between the tile heights of each adjoining tile. Lippage will be more pronounced with offset joint patterns and large format tiles. Seller will take necessary action to repair lippage that is greater than 1/8 inch, except where materials are intended to have irregular height such as tile larger than 13×13 inches or irregular/handmade tile.

FIREPLACES

Fireplace or Chimney Does Not Draw Properly

A fireplace or chimney in the home should work according to manufacturer's specifications and should draw correctly. Oftentimes extreme weather conditions such as high winds, or obstructions such as adjoining homes, trees or interior furnaces can cause negative drafts or downdrafts. Seller will make chimney repairs based on manufacturer's specifications, to draw correctly, one-time only within 1 year following the Effective Date.

Masonry Chimney Separated from Structure

Chimneys, even when newly constructed, will often incur slight amounts of separation. The amount of separation from the main structure will not exceed ½ inch in any 10-foot

vertical measurements. In the event there are gaps that exceed the allotted measurements, Seller will make the appropriate repairs.

Firebrick or Mortar Joint Cracked

The heat and flames from fires can cause cracking of the firebrick or mortar joint and is typical of normal use. This is excluded from the Limited Warranty.

VALENCIA RIDGE

NOTICE OF CLAIM FORM

Please read Section H.1 of your Limited Warranty before completing this form.

Homeowner Name(s):				
Address of Home:				
Best Phone No: E-Mail Address:				
Closing Date:				
Nature of Claim (Check One):	□ Workmanship	☐ Materials	☐ Systems	☐ Structural
Describe the Claim (be as specif	ic as possible):			
		MARKANIA MA		
Date Claim First Observed:				
Date Claim First Reported to Se	ller:			
Best days and times for availabi				
Homeowner Signature:			Date:	
Homeowner Signature:			Date:	

Mail to: Valencia Ridge Limited Warranty, 1600 Sawgrass Corporate Parkway, Suite 400, Sunrise, Florida 33323



Congratulations on your decision to purchase a home.

As you know, there are a lot of factors to consider before signing on the dotted line. By now, you've probably checked out the location of the home you like the best. You know how much the seller wants, how many bedrooms there are, whether your dining room table will fit, where you'll park your car and lots of other important things.

But wait, there's still one more important thing you really ought to do.

You wouldn't buy a car without asking how many miles-per-gallon it gets, would you? So why would you even think of buying a house without knowing how much the power bills will be? That's why now is the perfect time to get an EnergyGauge® rating on the house.

Since 1994, there has been a voluntary, statewide energy-efficiency rating system for homes in Florida. Prospective homeowners just like you, all around the state, are getting their homes rated before they make their purchase.

There are several very important reasons why:

- ▲ Energy ratings give homebuyers a market-place yardstick that measures the benefits of energy-efficiency. You get detailed estimates of how much your energy use will cost.
- ▲ Energy ratings give you clear and specific information that lets you compare similar homes on their energy use. Two homes might look similar, but one may be efficient and comfortable, and the other an energy-guzzler with a very uncomfortable interior.

Thinking About Buying a Home? Get An EnergyGauge® Rating!

Consider the Benefits:

- ▲ More Home for Less Money
- ▲ Tested Quality Construction
- ▲ Enhanced Indoor Comfort
- ▲ Superior Energy Efficiency
- ▲ More Environmental Sustainability
- ▲ Improved Mortgage Options
- ▲ Greater Resale Value

▲ Maybe most important of all, the national Home Energy Rating System (HERS) Index on the energy rating can qualify you for a number of special mortgage programs that offer lower interest rates, lower closing costs, and other benefits. Some lenders may offer special financing.

Before buying your next home, hire a Certified Energy Rater to do a rating.

Your builder or Realtor can help you find a Certified Rater in your area. After the rating, you'll get an easy-to-understand Energy Guide that estimates how much it will cost to pay for energy used in that home.

For many years, buyers have had home inspectors look over a home before making their purchase. This is a great way to find out about potential house problems before you make your purchase. Smart homebuyers around the country are now also asking for a home energy rating to look specifically at the energy-use in a home and determine efficiency. Because energy costs can equal house payments, the relatively small cost of a home energy rating can easily be offset by many years of lower energy payments.

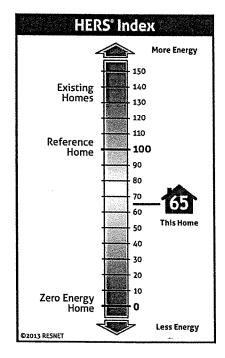
You're already familiar with the milesper-gallon stickers on new automobiles, and the yellow Energy Guide labels on home appliances. Shoppers use this information to figure out how much that car or appliance is really going to cost them. This information gives the buyer

a good estimate of what it will cost to operate that car or use that appliance, over and above the purchase price. A car or product that is cheaper to buy can often be more expensive to operate, so this information can be very important to assure that you make the best purchase decision.

Here's how the EnergyGauge® program works.

After the rating, you'll get an easy-to read form like the one on the next page. The Rating Guide has a scale that allows you to compare the specific home you're looking at with the most efficient and the least efficient homes of the same size, with the same number of bedrooms available in your part of the state today.

One of the keys to the success of this program is the uniformity of ratings, made possible by the use of the EnergyGauge® software developed by the Florida Solar Energy Center®. It has been specially designed to let Raters input the key data on the home and obtain accurate information for comparison purposes.



Beyond a home energy rating, how can you reduce your energy use and save money?

That's easy. While the design and construction of your home, and the efficiency of its appliances and equipment, control the most significant portion of its energy use, occupant lifestyle will still have a big effect on exactly how much energy gets used. Your comfort preferences and personal habits - the level at which you set the thermostat, whether or not you turn off lights and fans when leaving a room, how much natural ventilation you use, and other factors - will all affect your home's actual monthly energy use.

Florida's program parallels national activities.

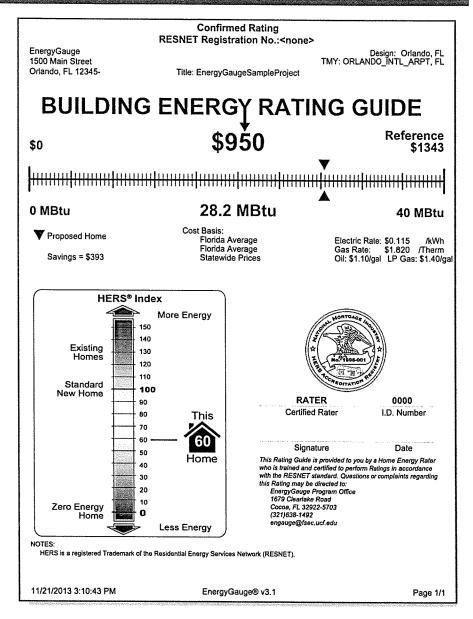
The Residential Energy Services Network (RESNET) sets the national standards for the Home Energy Rating System (HERS), and the Florida Solar Energy Center's Energy Gauge system meets these standards. The Florida Building Energy Rating Guide provides a HERS Index for the home. This national score enables homes to qualify for national mortgage financing options requiring a HERS Index. This index is computed in accordance with national guidelines, considering the heating, cooling, water heating, lighting, appliance, and photovoltaic energy uses. HERS awards stars to the rating.

Tell your Realtor or builder that you want to get the home rated before you buy it.

They can give you the names of Raters in your area. Additional information on the program is available from the Energy Gauge Program Office at 321-638-1422, or visit our Web site at www.floridaenergycenter.org.

Who does Energy Ratings?

It is important to note that only Certified Raters are allowed to perform ratings. These Raters have undergone rigorous training programs and have passed the RESNET National Core exam and the required challenge exams. They are also required to undergo continuing education classes and additional exams to keep their



certifications current. An on-going quality control program also watches over their Ratings and their work. All their Ratings are submitted to a central registry that checks them for accuracy and compiles generic building data.

Energy Ratings in Florida

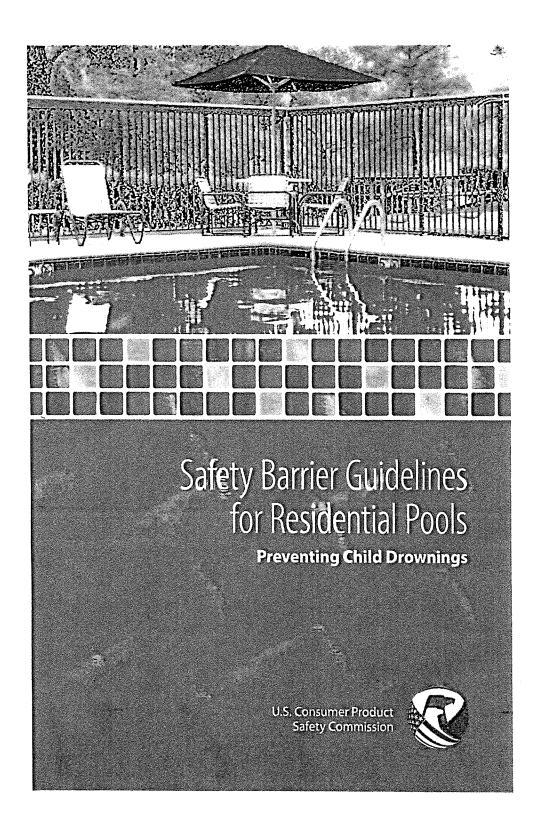
The Florida Building Energy-Efficiency Rating Act (Florida Statute 553.990) was passed by the State Legislature in 1993 and amended in 1994. It established a voluntary state-wide energy-efficiency rating system for homes. The Rating System has been adopted by DCA Rule 98-60. Modifications were made by the Legislature in 2013.



The EnergyGauge® Program Building Energy Rating System

1679 Clearlake Road Cocoa, Florida 32922-5703 Phone: 321-638-1422

Fax: 321-638-1010 E-Mail: info@energygauge.com www.floridaenergycenter.org



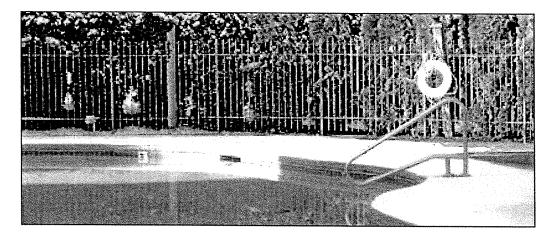
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For more information, write:

U.S. Consumer Product Safety Commission Office of Communications 4330 East West Highway Bethesda, MD 20814 www.cpsc.gov

CPSC is charged with protecting the public from unreasonable risks of injury or death associated with the use of the thousands of consumer products under the agency's jurisdiction.

Many communities have enacted safety regulations requiring barriers for residential in-ground and above-ground swimming pools. In addition to following your community's laws, parents who own pools should take precautions to reduce the possibility that their youngsters will access the family pool, or a neighbor's pool or spa, without supervision. This booklet provides tips for creating and maintaining effective barriers to pools and spas.



Each year, thousands of American families suffer swimming pool tragedies. The majority of the incidents involve drownings and non-fatal drownings of young children. These pool and spa injuries and deaths involve young children, ages 1 to 3 years old, and happen in residential settings. These tragedies are preventable.

This U.S. Consumer Product Safety Commission (CPSC) booklet offers guidelines for pool barriers that can help prevent most drowning incidents involving young children. This handbook is for owners, purchasers, and builders of residential pools, spas, and hot tubs.

The swimming pool barrier guidelines are not a CPSC standard; nor are they mandatory requirements. CPSC believes that the guidelines recommended in this booklet will help make pools safer, promote pool safety awareness, and save lives. Barriers are not the sole method to prevent drowning of young children in pools; and barriers can never replace adult supervision.

Some states and localities have incorporated CPSC guidelines for safety barriers into their building codes. Check with your local authorities to see what your area's building code or other regulations require.



Swimming Pool Barrier Guidelines

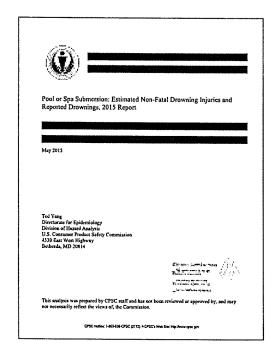
According to the Centers for Disease Control and Prevention (CDC), drowning is the leading cause of unintentional death for 1- to 4-year-old children. Each year, nearly 300 children under age 5 drown in swimming pools. Many of these young victims could be saved if homeowners fenced in their pools completely and installed gates with self-closing and self-latching devices.

Anyone who has cared for a toddler knows how fast young children can move. Toddlers are inquisitive and impulsive, and they lack a realistic sense of danger. These behaviors in children make swimming pools particularly hazardous for households with young children.

CPSC staff has reviewed a great deal of data on drownings and child behavior and studied information on pool and pool barrier construction. Staff has concluded that one of the best ways for pool owners to reduce child drownings in residential pools is to construct and maintain barriers that will help prevent young children from gaining access to pools and spas.

The CPSC guidelines suggest ways for pool and spa owners to keep children from entering the pool area unaccompanied by a supervising adult. The guidelines also consider the variety of barriers available, and the guidelines specify how each type of barrier might be susceptible to a child trying to get on the other side of the barrier and into the pool or spa.

The swimming pool barrier guidelines are presented with illustrated descriptions. The definition of a "pool" includes spas and hot tubs. Therefore, the CPSC swimming pool barrier guidelines apply to these structures, as well as to above-ground pools and, possibly, larger portable pools.

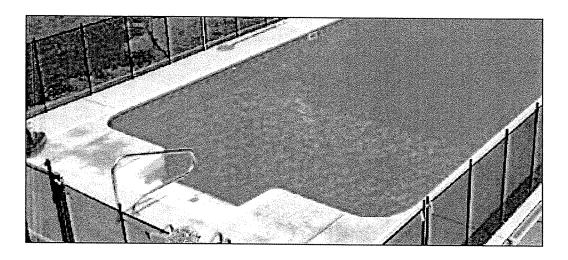


Pool and Spa Submersions: Estimated Non-Fatal Drowning Injuries and Reported **Drownings***

CPSC publishes an annual report on drowning and non-fatal drowning incidents. Key findings from the 2015 report include:

- Nearly 300 children younger than 5 drown in swimming pools and spas each year, representing 76 percent of the 382 fatalities reported for children younger than 15.
- Children ages 1 to 3 years (12 months through 47 months) represented 65 percent of the reported fatalities and 64 percent of reported injuries in pools and spas.
- More than 4,100 children younger than 5 suffered non-fatal drowning injuries and required emergency department treatment.
- The majority of fatal drowning incidents and non-fatal drowning injuries involving victims younger than 5 years old occur in pools owned by family, friends, or relatives.
- Residential locations dominated incidents involving victims younger than 5 years old. Eighty-seven percent of the fatalities occurred at residential pools or spas.
- Portable pools accounted for 10 percent of the total fatalities, with an average of 40 deaths per year for children younger than 15.

^{*}The report presents average annual estimates for emergency department-treated injuries for 2012 through 2014, and average annual estimates for fatal drownings for 2010 through 2012, as



reported to CPSC staff. The years for reported injury and fatality statistics differ due to a lag in fatality reporting.

Barriers

Barriers include a fence or wall, door alarms for the house, and a power safety cover over the pool. Barriers are not childproof, but barriers do provide layers of protection for a child when there is a lapse in adult supervision. Barriers give parents additional time to find a child before the unexpected can occur.

Use the following recommendations as a guide:

Locations

Barriers should be located to prohibit children from using permanent structures, equipment, or similar objects to climb the barriers.

Construction

A barrier that completely surrounds the pool is better than a fence that encloses the pool on three sides with the house serving as the fourth side of the barrier. Fences should be a minimum of 4 feet high. However, fences 5 feet or higher are preferable.

If an outside wall of the home serves as one side of the barrier, install **door alarms** on all doors leading to the pool area. Make sure the doors have self-closing and self-latching devices or locks that are beyond the reach of children. This will keep children from opening the doors and gaining access to the pool.

An effective pool barrier prevents a child from going OVER, UNDER, or THROUGH the barrier and keeps children from accessing the pool when supervising adults are not present.

Pool covers add another layer of protection. There are a wide variety of pool cover styles on the market. Make sure that the pool cover is well maintained, and keep the control device for the pool cover out of the reach of children.

How to Prevent a Child from Going OVER a Pool Barrier

A young child can climb over a pool barrier if the barrier is too low or if the barrier has handholds or footholds that children can use to climb.

Equal to or more than 45" 48"

Figure 1 minimize the size of openings when constructing a barrier.

The top of a pool barrier should be at least 48 inches above grade, measured on the exterior side of the fence or barrier. Some states, counties, or municipalities require pool barriers to be 60 inches above grade.

Eliminate handholds and footholds on barriers and

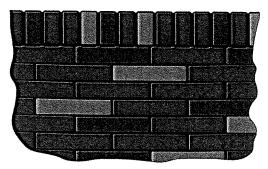


Figure 2

Make sure that there are no indentations or protrusions on the barrier that may allow a child to climb over the barrier.

For a Barrier with Horizontal and Vertical Members

If the distance between the top side of the horizontal members of

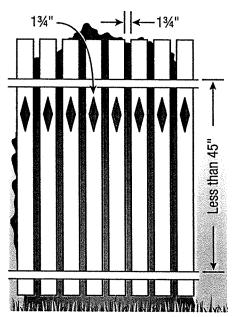


Figure 3 attempt to climb the barrier.

the barrier or fence is less than 45 inches high, then the horizontal members should be located on the interior side of the fence.

The spacing between vertical members and within decorative cutouts should not exceed 13/4 inches. This size is based on the foot width of a young child and is intended to reduce the potential for a child to gain a foothold and

If the distance between the tops of the horizontal members is more than 45 inches high, the horizontal members can be located on the exterior side of the fence. The spacing between vertical members should not exceed 4 inches. This size is based on the head breadth and chest depth of a young child and is

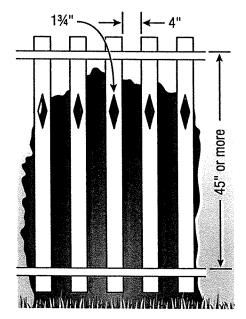
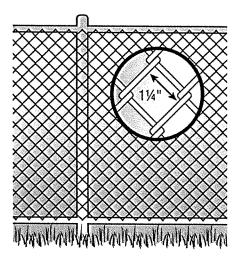


Figure 4

intended to prevent a child from passing through or getting stuck in an opening.

For a Chain-Link Fence

The openings in the mesh of a chain-link fence should not exceed



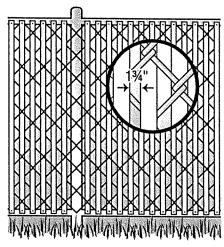


Figure 5

Figure 6

11/4 inches square unless slats, fastened at the top or bottom of the fence, are used to reduce the mesh openings to no more than 1¾ inches.

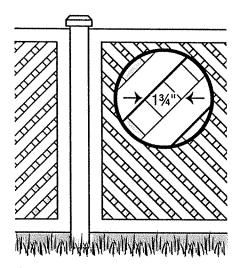


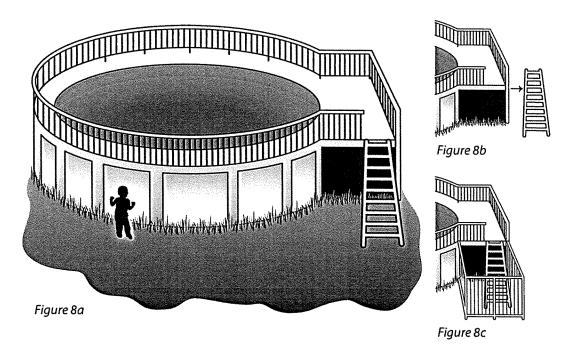
Figure 7

For a Fence with Diagonal **Members or Latticework**

The maximum opening in the latticework should not exceed 1¾ inches.

For Above-Ground Pools

Above-ground pools should have barriers. The pool structure can serve as a barrier if the walls of the pool are high enough, or if a barrier can be mounted onto the top of the pool structure.

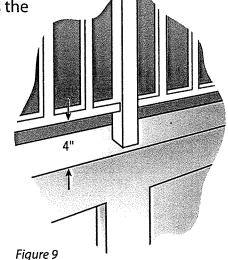


If the pool walls are not high enough, or there are other structures close to the pool, such as a ladder or a table or a chair, often children are able to access the pool. There are ways to prevent young children from climbing and gaining access to an above-ground pool. The steps or ladder leading to the pool can be designed to be secured, locked, or removed to prevent access; or the steps or ladder

can be surrounded by a barrier, such as the barriers described in these guidelines.

Above-Ground Pool with Barrier on Top of Pool

If an above-ground pool has a barrier on top of the pool, the maximum vertical clearance between the top of the pool and the bottom of the barrier should not exceed 4 inches.



How to Prevent a Child from Going UNDER a Pool Barrier

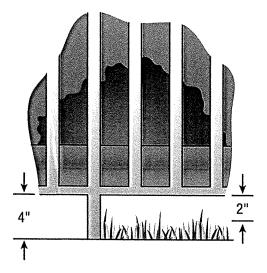


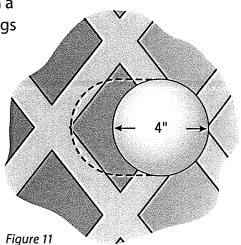
Figure 10

For any pool barrier, the maximum clearance at the bottom of the barrier should not exceed 4 inches above the surface or ground, when the measurement is done on the outside of the barrier. If the bottom of the gate or fence rests on a non-solid surface, such as grass or gravel, industry recommends that the clearance should not exceed 2 inches.

How to Prevent a Child from Going THROUGH a Pool Barrier

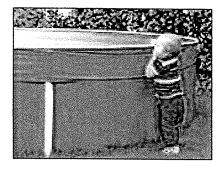
To prevent a child from going through a pool barrier, restrict the size of openings in the barrier, and use self-closing and self-latching gates.

To prevent a young child from going through a fence or other barrier, make sure all openings in the barrier are small enough to prevent a 4-inch diameter sphere from passing through any opening. This size is based on the head breadth and chest depth of a young child.



Safety Barrier Guidelines for Residential Pools 9

Portable Pools



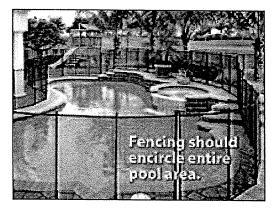


Portable pools are becoming more popular. Portable pools vary in size and height, from tiny blow-up pools to larger designs that can hold thousands of gallons of water. Portable pools present a real danger to young children.

Never leave children around a portable pool unsupervised. Portable pools should be fenced, covered, or emptied and stored away when not in use. Tell neighbors, friends, and caregivers that you have a portable pool and advise them of the potential dangers of a portable pool in your yard.

Removable Mesh Fences

Mesh fences are made specifically for swimming pools or other small bodies of water. Although mesh fences are meant to be removable, the safest mesh fences for pools are locked into the pool deck so that the fence cannot be removed without extensive use of tools.

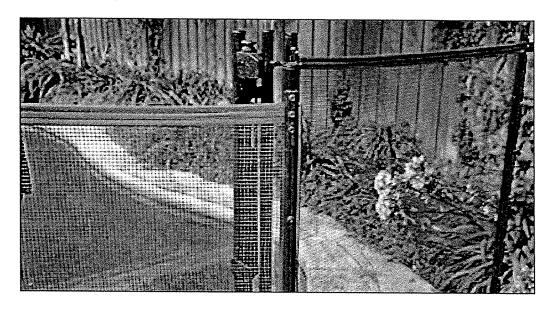


Like other pool fences, mesh fences should be a minimum of 48 inches in height. The distance between vertical support poles and the attached mesh, along with other manufactured features, should be designed to keep a child from climbing the fence. The removable vertical support posts should extend a minimum of 3 inches below grade, and they should be spaced no farther apart than 40 inches. The bottom of the mesh barrier should not be more than 1 inch above the deck or installed surface.

For more information on Removable Mesh Fencing see ASTM standard F 2286 - 05.

Gates

There are several kinds of gates that might be found on a residential property: pedestrian gates and vehicle or other types of gates. Gates can be used as a swimming pool barrier. All gates should be designed with a locking device.



Pedestrian Gates

These are gates people walk through. Swimming pool barriers should be equipped with one or more gates that restrict access to the pool.

Gates should open out from the pool and should be self-closing and self-latching. With this design, if the gate is not closed completely, a young child pushing on the gate in an effort to enter the pool area will actually be closing the gate, which may then safely latch.



The weak link in the strongest and highest fence is a gate that fails to close and latch completely. For a gate to close completely every time, the gate must be in proper working order.

When the release mechanism of the self-latching device on the gate is less than 54 inches from the bottom of the gate, the release mechanism for the gate should be at least 3 inches below the top of the gate on the interior side. Placing the release mechanism at this height prevents a young child from reaching over the top of a gate and releasing the latch.

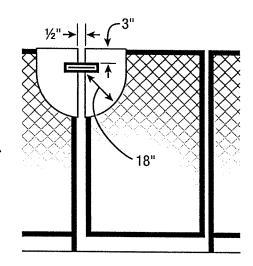


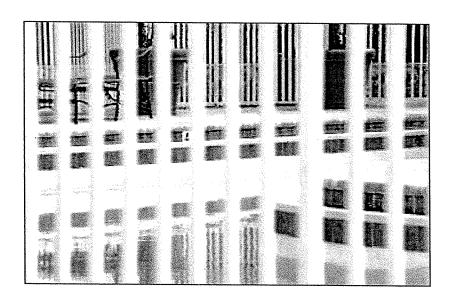
Figure 13

Additionally, the gate and barrier should have no opening greater than

½ inch within 18 inches of the latch-release mechanism. This prevents a young child from reaching through the gate and releasing the latch.

All Other Gates (Vehicle Entrances)

Other gates should be equipped with self-latching devices. The self-latching devices should be installed as described for pedestrian gates.



When One Side of the House Forms Part of the Pool Barrier

In many homes, doors open directly from the house to the pool area or to a patio leading to the pool. In these cases, the side of the house that leads

to the pool is an important part of the pool barrier. Passage through any door from the house to the pool should be controlled by security measures.

The importance of controlling a young child's movement from the house to the pool is demonstrated by the statistics obtained from the CPSC drowning reports. Incidents at residential locations dominate the accidents involving children younger than 5, accounting for 87 percent of fatalities and 54 percent of injuries (from the CPSC 2015 Pool or Spa Submersion Report, page 3).



Figure 14

Door Alarms

All doors that allow access to a swimming pool should be equipped with an audible alarm that sounds when the door and/or screen are opened. Alarms should meet the requirements of UL 2017, General-Purpose Signaling Devices and Systems, Section 77, and have the following features:

- The alarm sound should last for 30 seconds or more and start within 7 seconds after the door is opened.
- The alarm should be loud: at least 85 dB (decibels), when measured 10 feet away from the alarm mechanism.
- The alarm sound should be distinct from other sounds in the house. such as the telephone, doorbell, and smoke alarm.
- The alarm should have an automatic reset feature to deactivate the alarm temporarily for up to 15 seconds, to allow adults to pass through house doors without setting off the alarm. The deactivation switch could be a touchpad (keypad), or a manual switch, and should be located at least 54 inches above the threshold and out of the reach of children.

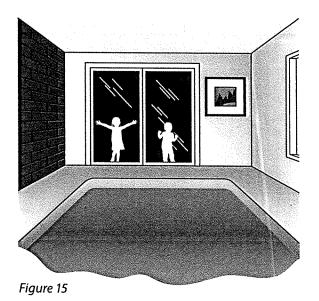
Self-closing doors with self-latching devices could be used along with door alarms to safeguard doors that give access to a swimming pool.

Pet or Doggy Doors

Never have a pet or doggy door if the door leads directly to a pool or other backyard water. An isolation barrier or fence is the best defense when pet doors are installed. Remember, pet door openings, often overlooked by adults, provide curious children with access to backyard adventures. Locking these doors is not sufficient and could lead to accidents and tragedies. Children regularly drown in backyard pools that they were able to access through pet doors. Some municipalities have building codes that prohibit doggy doors in homes with pools, unless there is an isolation fence around the pool.

Power Safety Covers

Power safety covers can be installed on pools to provide security barriers, especially when one side of the house serves as the fourth wall or side of a barrier. Power safety covers should conform to the specifications in the ASTM F 1346-91 standard, which specifies safety performance requirements for pool covers to protect young children from drowning.



Indoor Pools

When a pool is located completely inside a house, the walls that surround the pool should be equipped to serve as pool safety barriers. Guidelines recommended for using door alarms, pool alarms, and covers where the house wall serves as part of a safety barrier also apply for all the walls surrounding an indoor pool.

Barriers for Residential Swimming Pools, Spas, and Hot Tubs

The CPSC pool barrier guidelines are designed to make it easier for pool owners, purchasers, builders, technicians, and others to understand and apply the guidelines to their particular properties or situations. Reading the guidelines, in conjunction with the diagrams or figures in this booklet, may be helpful. For more information, consult your local building department or code authority.

Outdoor Swimming Pools

All outdoor swimming pools, including in-ground, above-ground, or on-ground pools, hot tubs, or spas, should have a barrier that complies with the following:

- 1. The top of the barrier should be at least 48 inches above the surface measured on the interior side of the barrier (figure 1).
- 2. The maximum vertical clearance between the surface and the bottom of the barrier should be 4 inches, measured on the exterior side of the barrier. In the case of a non-solid surface, such as grass or pebbles, the distance should be reduced to 2 inches, and 1 inch for removable mesh fences (figures 1 and 10).
- 3. Where the top of the pool structure is above grade or surface, such as an above-ground pool, the barrier may be at ground level, like the pool structure, or mounted on top of the pool structure. Where the barrier is mounted on top of the pool structure, the maximum vertical clearance between the top of the pool structure and the bottom of the barrier should be 4 inches (figure 9).
- 4. Openings in the barrier should not allow passage of a 4-inch diameter sphere (figure 11).
- 5. Solid barriers, which do not have openings, such as masonry or stone walls, should not contain indentations or protrusions that may allow a child to climb over the barrier (figure 2).
- 6. Where the barrier is composed of horizontal and vertical members, and the distance between the bottom and top horizontal members is less than 45 inches, the horizontal members should be located on the interior side of the fence (figure 3).
- 7. Spacing between vertical members should not exceed 1¾ inches in width. Where there are decorative cutouts, spacing within the cutouts should not exceed 1¾ inches in width (figure 4).
- 8. Maximum mesh size for chain link fences should not exceed 11/4 inch square, unless the fence is provided with slats fastened at the top or the bottom that reduce the openings to no more than 1¾ inches (figures 5 and 6).
- 9. Where the barrier is composed of diagonal members, such as a lattice fence, the maximum opening formed by the diagonal members should be no more than 1¾ inches (figure 7).
- 10. Access gates to the pool should be equipped with a locking device. Pedestrian access gates should open outward, away from the pool, and should be self-closing and have a self-latching device (figure 12). Gates other than pedestrian access

- gates should have a self-latching device. Where the release mechanism of the self-latching device is located less than 54 inches from the bottom of the gate,
- (a) the release mechanism should be located on the interior side of the gate, at least 3 inches below the top of the gate; and
- (b) the gate and barrier should have no opening greater than ½ inch within 18 inches of the release mechanism (figure 13).
- 11. Where a **wall of a dwelling** serves as part of the barrier, one of the following should apply:
 - (a) All doors of a home that provide direct access to the pool should be equipped with an alarm that produces an audible warning when the door and its screen, if present, are opened. Alarms should meet the requirements of *UL 2017, General-Purpose Signaling Devices and Systems, Section 77.* For more details on alarms, see page 13.
 - (b) The pool should be equipped with a *power safety cover* that complies with ASTM F1346-91, listed below.
 - (c) Other means of protection, such as **self-closing doors with self-latching devices**, are acceptable, as long as the degree of protection afforded is not less than the protection afforded by (a) or (b), described above.
- 12. Where an **above-ground pool structure** is used as a barrier, or where the barrier is mounted on top of the pool structure, and the means of access is a ladder or steps (figure 8a), then
 - (a) **the ladder** to the pool or steps should be capable of being secured, locked, or removed to prevent access (figure 8b); or
 - (b) the ladder or steps should be surrounded by a barrier (figure 8c). When the ladder or steps are secured, locked, or removed, any opening created should not allow the passage of a 4-inch diameter sphere.

For more information on

Fencing:

- **ASTM F 1908-08** Standard Guide for Fences for Residential Outdoor Swimming Pools, Hot Tubs, and Spas: http://www.astm.org/Standards/F1908.htm
- Mesh Fencing for Swimming Pools, Hot Tubs, and Spas: http://www.astm.org/ Standards/F2286.htm

Covers:

ASTM F 1346-91 Standard Performance Specification for Safety Covers and Labeling Requirements for All Covers for Swimming Pools, Spas and Hot Tubs: http://www.astm.org/Standards/F1346.htm

Note: ASTM Standards are available for a fee. You may want to contact a pool contractor.

Standards:

- **ASTM Standards:** Contact ASTM online at: http://www.astm.org/CONTACT/index.html.
- **UL** (Underwriters Laboratories) Relevant Pool and Spa Standards http://www.ul.com. Look for Life Safety and Security Product



The CPSC **Pool Safely: Simple Steps Save Lives campaign** provides advice and tips on drowning and entrapment prevention. Installing barriers is just one of the *Pool Safely* Simple Steps for keeping children safe around all pools and spas. Here are others:

Rule # 1: Never leave a child unattended around a pool, spa, bath tub, or other body of water.

At pools, spas, and other recreational waters:

- Teach children basic water safety skills.
- Learn how to swim and make sure your children know how to swim.
- Avoid entrapment accidents by keeping children away from pool drains, pipes, and other openings.
- Have a phone nearby at all times when visiting a pool or spa.
- Know the address of your location so that you can direct emergency personnel to the scene, if needed.
- If a child is missing, look for the child in the pool or spa first, including neighbors' pools or spas.
- Share safety instructions with family, friends, babysitters, and neighbors.

If you have a pool:

- Install a 4-foot non-climbable fence around the perimeter of the pool and spa, including portable pools.
- Use self-closing and self-latching gates. Ask neighbors to do the same if they have pools or spas.
- If the house serves as the fourth side of a fence around a pool, install and use a door or pool alarm and/or a pool or spa cover.
- Maintain pool and spa covers in good working order.
- Ensure that any pool or spa that you use has anti-entrapment safety drain covers. Ask your pool service representative if you do not know.*
- Have life-saving equipment—such as life rings, floats, or a reaching pole—available and easily accessible.

*The Virginia Graeme Baker Pool & Spa Safety Act, a federal law, requires all public pools and spas to have anti-entrapment drain covers and other devices, where needed. Residential pools are not required to install these, but they are highly recommended.

Visit www.PoolSafely.gov for more information. See the most recent CPSC submersion reports: Submersions Related to Non-Pool and Non-Spa Products, 2012 and Pool or Spa Submersion Report, 2015.

U.S. Consumer Product Safety Commission 4330 East West Highway Bethesda, MD 20814

Twitter: @poolsafely www.PoolSafely.gov

Email: poolsafely@cpsc.gov

VALENCIA RIDGE CUSTOMER CODE OF CONDUCT

At Valencia Ridge, we are committed to providing our purchasers the ultimate home buying and building experience while maintaining a safe and healthy work environment for our employees. We have instituted a Customer Code of Conduct set forth below in order to specify our expectations and maintain and protect the well-being of our employees, purchasers and guests.

The following behaviors will not be tolerated:

- 1. Verbal or physical abuse, malicious or harmful statements, profanity, disrespect, intimidation tactics and/or any form of harassment directed at any member of the Valencia Ridge sales, design, construction and/or home warranty team, as well as any of our contractors, vendors, purchasers, prospects and/or guests;
- 2. Any other behavior that we feel is objectionable or disrupts our business, and which disturbs our employees, contractors, vendors, purchasers, prospects and/or guests.

Thank you for your cooperation and understanding.

VALENCIA RIDGE

RECEIPT FOR DOCUMENTS

1.	Declaration of Covenants, Restrictions and Easements for Valencia Ridge recorded April 15, 2024 in Official Records Book 10992, at Page 335 of the Public Records of Pasco County.				
	Exhibit A	Legal Description of Property			
	Exhibit B	Articles of Incorporation of Valencia Ridge Homeowners Association, Inc.			
	Exhibit C	Bylaws of Valencia Ridge Homeowners Association, Inc.			
2.	Rules and Regulations of Valencia Ridge Homeowners Association, Inc.				
3.	Valencia Ridge Recreation Amenities Release and Waiver				
4.	Estimated Operating Budget of Valencia Ridge Homeowners Association, Inc.				
5.	Estimated Full Build-Out Operating Budget of Valencia Ridge Homeowners Association Inc.				
6.	Escrow Agreement				
7.	Dwelling Warranty				
8.	Informational Brochure Regarding Energy Efficiency				
9.	U.S. CPSC Safety Barrier Guidelines for Residential Pools				
10.	Customer Code of Conduct				
11.	Receipt for	Documents			
PUR	RCHASER:	PURCHASER:			
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