

Villa 2 Bonnie Cove (619-635)
Villa 2 Maybelle (377-405)
Villa 2 Ruby Jay
Villa 2C2 Bonnie Cove (520-524, 529)
Villa 2C2 Sherman Circle

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THE COMPLETE DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS FOR THE VILLAGES OF GLENLAKES PHASE I, UNIT II A INCLUDING THE BY-LAWS.

Pages 1 through 32 contain the entire Declaration as recorded on January 9th, 1992 in Hernando County, Florida in O. R. Book 849, Pages 0664 through 0695.

Following pages 1 through 8 contain all of the By-Laws as recorded on January 9th, 1992 in Hernando County, Florida in O. R. Book 849, Pages 0696 through 0703.

81.7

FILED BY
TERRY VERIE
DEPUTY CLERK

DECLARATION OF COVENANTS, CONDITIONS,
RESTRICTIONS AND EASEMENTS FOR
THE VILLAGES OF GLENLAKES PHASE I, UNIT II A

THIS DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS FOR THE VILLAGES OF GLENLAKES PHASE I, UNIT II (the "Declaration") made this 9th day of JANUARY, 1992, by The Glen Lakes Partnership, ("Declarant"), 9000 Glen Lakes Blvd., Brooksville, FL 34613.

WITNESSETH:

WHEREAS, Declarant holds legal title to certain real property (the "Premises") in Hernando County, Florida, which is legally described on Exhibit A attached hereto and made a part of this Declaration; and

WHEREAS, Declarant may from time to time construct one or more buildings and other improvements on part or all of the Premises or Declarant may sell or transfer portion(s) of the Premises to various third parties (who may or may not be affiliates of the Declarant) who may from time to time construct building(s) on said portion(s); and

WHEREAS, Declarant intends that the buildings and other improvements to be constructed on the Premises shall be comprised of single-family style residences which are intended to be administered in concert by all of the Owners of the various Dwelling Units (as hereinafter defined) thereon; and

WHEREAS, Declarant expects (but shall not be required) to construct on the Premises various Common Facilities, as hereinafter defined, such as parking areas, roadways, walkways, sidewalks, ponds, lakes, waterways, bicycle paths, shuffleboard courts, playgrounds, athletic facilities and open areas to be located in the Common Area (as hereinafter defined), which Common Facilities shall be intended for the benefit of the entire Premises and the Owners of Lots therein; and

WHEREAS, in order to provide for the necessary, orderly and proper administration and maintenance of the Common Area and Common Facilities, and for the preservation and enhancement of the Premises, Declarant (i) has formed The Village of GlenLakes Homeowners Association Phase I, Unit II, Inc. as a not-for-profit corporation under the laws of the State of Florida to which the responsibility of administering and maintaining the Common Area and Common Facilities will be delegated and assigned; and (ii) by execution of this Declaration, has caused the Premises to be subjected to the provisions of this Declaration.

NOW, THEREFORE, Declarant hereby declares that the Premises (and such additions thereto as may hereafter be made pursuant to Article V hereof) are and hereafter shall be transferred, held, sold, conveyed and accepted subject to this Declaration of Covenants, Conditions, Restrictions and Easements.

Declarant does hereby further declare that the following rights, easements, covenants, restrictions, conditions, burdens, uses, privileges, charges and liens shall: (i) exist at all times hereafter among all parties having or acquiring any right, title or interest in any portion of the Premises; (ii) be binding upon and inure to the benefit of each Owner (as further defined in Article I hereof); and (iii) run with the land subject to this Declaration, to be held, sold and conveyed subject thereto.

ARTICLE I

DEFINITIONS

The following terms when used in this Declaration, or in any Declaration of inclusion, shall have the following meanings unless otherwise required by the context:

1.01 Articles of Incorporation. The articles of Incorporation of the Association.

1.02 Association. The Villages of GlenLakes Homeowners Association, Inc., a Florida corporation not-for-profit, and its successors and assigns.

1.03 Board The Board of Directors of the Association, as constituted at any time or from time to time, in accordance with the applicable provisions of Article II.

1.04 Builder Any person who constructs Dwelling Units in the ordinary course of business for re-sale to others. The term "Builder" shall exclude any person who builds a Dwelling Unit for his or her own occupancy as a residence.

1.05 By-Laws. The By-Laws of the Association.

1.06 Common Area. That portion or those portions of the Premises depicted on Exhibit B. attached hereto, together with any Common Facilities from time to time existing thereon and all easements, rights and appurtenances thereto, intended for the mutual use, benefit or enjoyment of the Members; and such additions, deletions or substitutions thereto as the Association may from time to time designate (by recording an amendment hereto) for the common use and enjoyment of the Members, as hereinafter defined, pursuant to Article V hereof.

1.07 Common Facilities. Any parking areas, roadways, walkways, sidewalks, bicycle paths, shuffleboard courts, play grounds athletic or recreational facilities, ponds, lakes, waterways and open spaces and such other improvements or structures (including but not limited to drainage facilities) from time to time or at any time located or constructed on the Common Area.

1.08 Declarant. Glen Lakes Partnership and its successors and assigns, provided, however, that any rights specifically reserved herein to Declarant shall not inure to the benefit of its successors and assigns, unless specifically assigned in a recorded instrument or conveyed by operation of law.

1.09 Declaration. This Declaration and all Declarations of Inclusion made pursuant to Article V hereof, and all amendments hereof and thereof, References to "this" Declaration shall mean this instrument as so amended and supplemented.

1.10 Dwelling Unit. A residential housing unit consisting of a group of rooms which is designed or intended for use as living quarters for one family, as hereinafter defined, located or which may be located and constructed upon the Premises or upon such other real estate as may be added to the Premises pursuant to Article V of this Declaration. For the purposes of determining membership in the Association, each Dwelling Unit (including individual units in an apartment building or complex) shall be considered as a separate and individual unit. If two or more Dwelling Units are owned by the same Owner or combined and occupied by a family, each dwelling unit shall nevertheless be considered a separate Dwelling Unit under this Declaration.

1.11 Family One or more persons each related to the other by blood, marriage or law, and including foster children, together with such relative's respective spouses, who are living together in a single Dwelling Unit and maintaining a common household; or up to and including three persons not so related, provided that such unrelated persons maintain a common household in a single Dwelling Unit. A "Family" includes any domestic servant and not more than one gratuitous guest residing with the family; such servant and guest shall be included in the unrelated persons allowed by this definition, and shall not be in addition thereto.

1.12 Lot Any numbered or separately identified subdivision of the Premises identified as a Lot or a subdivision plat of the Premises. The term Lot shall, where appropriate, include any Dwelling Unit constructed thereon. For the purposes of determining membership in and assessments by the Association, notwithstanding that a single Dwelling Unit is constructed on two (2) or more Lots, each Lot shall nevertheless be considered a separate Lot and assessed accordingly.

1.13 Master Association. GLENLAKES Homeowners' Association, Inc., formed pursuant to that certain Master Declaration of Covenants, Restrictions and Easements for GLENLAKES (the "Master Association Declaration") recorded in O.R. Book 751, Pages 1030 through 1052 of the public records of Hernando County, Florida. The purpose of the Master Association is to administer, maintain and preserve certain property and facilities more particularly described in the Master Association Declaration, which jointly benefit the Premises and certain other real property located adjacent to the Premises. Members of the Association are members of the Master Association and as such are subject to and responsible for assessments levied by the Master Association.

1.14 Member. An Owner who holds membership in the Association pursuant to Paragraph 2.01(a) of this Declaration and whose Lot is subject to assessment pursuant to paragraph 4.01(a) or (b) of this Declaration shall be a "Class A Member". Declarant shall be the "Class B Member". The Class A Members and the Class B Member are sometimes referred to individually as a "Member" and collectively as the "Members".

1.15 Owner The record owner, whether one or more persons or entities, of a fee simple title to any Lot, including contract sellers, but excluding those other than contract sellers having such interest merely as security for the performance of an obligation. Except as otherwise specified, Declarant whether as owner or contract seller, shall be an "Owner" to the extent of the number of Lots owned by it.

1.16 Premises. The real estate legally described in Exhibit A attached hereto (including all structures and improvements located and constructed from time to time thereon and all easements appurtenant thereto) and such other real estate or interest therein, or other property, as may be added thereto pursuant to Article V hereof.

1.17 Unit Membership. The Membership in the Association is appurtenant to a Class A Member's Lot or the Class B Member's interest in the Premises, as provided in Paragraph 2.01 of this Declaration.

1.18 The Work The development of all or any portion of the Premises as a residential community by Declarant's construction and installation of streets, Dwelling Units, buildings and other improvements and the sale and other disposition of such property and improvements thereon in parcels or as completed Lots.

1.19 Neighborhood. A group of lots sharing a common characteristic and identified by the Board as a neighborhood. By way of example only, a characteristic could mean that all such Lots in a neighborhood are part of a separate platted subdivision, or that the configuration of streets within the premises effectively create a discrete neighborhood.

Article II

MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION: BOARD OF DIRECTORS OF THE ASSOCIATION

2.01 Membership. Every Owner of a Lot which is subject to assessment under Paragraph 4.01 (a), of this Declaration shall become a Class A Member of the Association upon the recording of the instrument of conveyance. If title to a lot is held by more than one person each such person is a Member. An Owner of more than one Lot is entitled to one membership for each Lot owned. Each membership is appurtenant to the Lot upon which it is based and is transferred automatically by conveyance of title to that Lot whether or not mention thereof is made in such conveyance of the title. No person other than an Owner may be a Class A Member of the Association, and a membership in the Association, may not be transferred except by the transfer of title to a Lot; provided, however, the foregoing does not prohibit the assignment of membership and voting rights by an Owner who is a contract seller to such Owner's vendee in possession.

2.02 Voting. The Association shall have two classes of voting membership: Class A and Class B. So long as there is Class B membership, Class A members are all Owners except Declarant. The Class B Member shall be the Declarant. Upon termination of Class B membership, as provided below, Class A Members are all Owners, including Declarant so long as such Declarant is an Owner. Subject to the provisions of Section 2.03 of this Article, all Members, Class A or Class B, are entitled to cast one vote for each Lot owned; but, as provided in the Association's Articles, the Class B Member is entitled to appoint the Association's directors ("Directors") until termination of Class B membership or until such right is voluntarily terminated by Declarant.

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2.03 Co-Ownership. If more than one person owns an interest in any Lot, all such persons are Class A Members; but there may be only one vote cast with respect to such Lot. Such vote may be exercised as the co-owners determine among themselves; but no split vote is permitted. Prior to any meeting at which a vote is to be taken, each co-owner must file with the secretary of the Association the name of the voting co-owner entitled to vote at such meeting, unless such co-owners have filed a general voting authority with the Secretary applicable to all votes until rescinded. Notwithstanding the foregoing if title to any Lot is held by a married couple, either spouse is entitled to cast the vote for such Lot unless and until the Association is notified otherwise in writing.

2.04 Class B Termination. The Class B membership will terminate and convert automatically to Class A membership upon the happening of either of the following, whichever occurs first:

(a) The Declarant conveys, other than to a successor Declarant, all of its right, title and interest in and to all the Lots in the Premises. For purposes of this provision, a Lot shall be conveyed when the deed is duly recorded.

(b) The Developer records a disclaimer of its Class B membership.

Upon termination of Class B membership, all provisions of the Declarations, Articles, or By-Laws referring to Class B membership will be obsolete and without further force or effect, including any provision requiring voting by classes of membership.

2.05 Amplification. The provisions of the Declaration are amplified by the Association's Articles of Incorporation and By-Laws; but no such amplification will alter or amend substantially any of the rights or obligations of the Owners set forth in this Declaration. Declarant intends the provisions of this Declaration on the one hand, and the Articles of Incorporation and By-Laws, on the other, to be interpreted, construed, applied, and enforced to avoid inconsistencies or conflicting results. If such conflict necessarily results, however, Declarant intends that the provision of this Declaration control anything in the Articles of Incorporation or By-Laws to the contrary.

2.06 Board.

(a) The Association shall be governed by its Board comprised of no fewer than three (3) nor more than five (5) persons (hereinafter "Directors") duly appointed or elected as provided herein and in the articles of Incorporation and By-Laws.

(b) Directors elected by the Members shall be Members of the Association or spouses of Members. Directors appointed by Declarant need not be Members or spouses of Members. The Board shall direct and administer the Common Area in accordance with the terms and provisions of this Declaration, including any Declarations of Inclusion hereto from time to time recorded pursuant to Article V hereof, as well as in accordance with the Articles of Incorporation and By-Laws.

2.06 Board (cont.)

(c) Until the date of the election meeting of Members described in Paragraph 2.08 hereof, the directors shall be (3) in number, and shall consist of those directors named in the Articles of Incorporation and their successors designated from time to time by the declarant.

2.07 Appointment of Directors by Declarant. Until the occurrence of either of the events set forth in Paragraph 2.04 above, Declarant shall be entitled to appoint the members of the Board. Directors appointed by Declarant need not be members or spouses of members. Any Directors appointed by Declarant may be removed by Declarant, with or without cause, and any vacancies occurring on the Board shall be filled by Declarant.

Prior to either of the events set forth in Paragraph 2.04, Declarant may, from time to time, by written notice to the Association, voluntarily terminate its right to appoint one or more Directors, and continue to exercise its right to appoint the remaining Directors for the period hereinabove specified. Election by Declarant to terminate its right to appoint any number of Directors or to terminate its control of the Association shall not affect the right of the Declarant to participate in the Association as a Member thereof.

2.08 Election of Directors by Members. Upon receipt by the Association of a copy of any instrument recorded by Declarant pursuant to Paragraph 2.04(b) hereinabove or of other appropriate evidence of the termination of Declarant's right to select any one or more of the Directors, a meeting of the Members shall be convened for the purpose of electing a new Board or to elect those Directors who are no longer to be appointed by Declarant. Upon termination of Declarant's right to appoint any or all of the Directors, pursuant to Paragraph 2.07 hereof, those Directors not subject to appointment by Declarant shall be elected by vote of the Class A members in accordance with the provision of this Article. Notwithstanding such election, any Director theretofore appointed by Declarant who does not elect to resign may stay in office for the balance of his unexpired term and until his successor is elected and qualified.

2.09 Board Liability. None among Declarant, its partners, employees, shareholders, officers, directors and agents, or the Board, its Directors, officers of the Association, nor the agents or employees of any of them (all of the above hereinafter referred to as the "Protected Parties"), shall be liable to the Owners or any other person for any mistake of judgement or for any acts of omissions of any nature whatsoever in their respective positions which shall occur subsequent to the date of the recording of this Declaration, except for such acts or omissions found by a court of competent jurisdiction to constitute willful misfeasance, gross negligence or fraud. Each Owner hereby agrees that the Association shall, and the Association hereby agrees to, indemnify, hold harmless, protect and defend any and all of the Protected Parties from and against each claim, suit, loss, damage, cost and expense, including, without limitation, attorneys' fees and amounts paid in reasonable settlement or compromise of any such claim, etc. incurred in connection with any act or omission for which such Protected Party is exculpated from liability as provided in the first sentence of this Paragraph 2.09. The Board shall assess each Owner for his share of the cost of the aforesaid indemnification, and such assessment shall be collectible and enforceable in the mode and manner as set forth in Article IV hereof.

2.09 Board Liability. (cont.)

To the extent possible, the obligation of the Association and the Owners for indemnification and the Board's liability hereinunder shall be insured by means of appropriate contractual endorsements to the comprehensive general liability insurance policies held from time to time by the Association.

2.10 Nonprofit Purposes of Association. Nothing herein shall be construed to give the association authority to conduct an active business for profit on its behalf or on behalf of the Members or on behalf of Declarant.

2.11 Governing Law. Except as otherwise provided in this Declaration, the Association, its Board, officers and Members shall be governed by Chapter 617, Florida Statutes.

ARTICLE III

EASEMENTS AND PROPERTY RIGHTS

3.01 Easements to run with Land. All easements described herein are easements appurtenant, running with the land, and shall inure to the benefit of and be binding upon Declarant, and any Owner, purchaser, mortgagee and other person having an interest in the Premises, or any part or portion thereof. The easements set forth in Paragraphs 3.02, 3.05, 3.06 and 3.09 shall be perpetual. All other easements created herein shall terminate at such time as the Premises are no longer subject to the provisions of this Declaration.

3.02 Easements of Access.

(a) Every owner of a Lot or any owner of a portion of the Premises is hereby granted and reserved a perpetual nonexclusive easement for the purpose of reasonable ingress and egress to and from all public and private ways which adjoin the Premises through, over and across the Common area and Common Facilities and over and across such other portions of the Premises as may be necessary for the purpose of reasonable ingress and egress to and from all public and private ways which adjoin the Premises.

(b) The Master Association, the Association and Declarant, and each of them, are hereby granted and reserved perpetual nonexclusive easements to, through, over and across the Common Area and so much other of the Premises as shall be necessary for the purpose of exercising the rights, performing the functions, and discharging the responsibilities, permitted or required to be performed or discharged by them pursuant to any provision of this Declaration or the Master Association Declaration.

3.03 Rights of Enjoyment. Every Member shall have the right and easement of enjoyment in and to the Common Area and Common Facilities, which right and easement shall include, but not be limited to, easements for pedestrian and vehicular ingress and egress, placing of utilities appurtenant to his Lot and use of open spaces, parks, waterways, and other Common Facilities, subject to the conditions and restrictions herein or in any rules and regulations promulgated by the Association or any other body having such powers as set forth in the Master Association Declaration. Such right and easement shall be appurtenant to and shall pass with the title to every Lot, subject to the following rights:

3.03 Rights of Enjoyment. (Cont.)

(a) The right of the Association to pass reasonable rules and regulations;

(b) The right of the Association to limit the number of guests of Members and to establish rules and fees with respect to guest usage of the Common Facilities;

(c) The right of the Association to charge reasonable admission and other fees for the use of any Common Facility;

(d) The right of the Association to suspend the use of the Common Facilities by a member for the period during which any assessment against his Lot remains unpaid and for a reasonable period for any infraction of its rules and regulations;

(e) The rights of the Association to levy assessments as provided in this Declaration;

(f) The rights of the Association and Declarant reserved under this Declaration;

(g) The right of the Association to change, improve, or modify the Common Area and to mortgage or otherwise encumber the same, or any portion thereof, to secure any indebtedness or obligation of the Association, whether or not proceeds of such mortgage or encumbrances shall be used for the improvement of the Common Area; and

(h) The right of the Association to control parking and traffic flow in the Common Area by rules and regulations.

(i) The right of the Association, if granted to it by the Master Association to control water levels and regulate drainage in and through any and all waterways existing on the Common Area and to regulate use of said waterways by rules and regulations.

(j) The right of the Association to fix and levy fines against Owners or Members for violation of the provisions of this Declaration, which fines shall in no event exceed \$10.00 for one violation or \$1000.00 during any one (1) calendar year for successive or cumulative violations, and which fines may become a lien on the Lot as set forth in Paragraph 4.07 hereinabove.

(k) The right of the Master Association to perform any functions and discharge any responsibilities permitted or required to be performed or discharged by it pursuant to the Master Association Declaration.

3.04 Delegation of use. Any class A member may delegate, in accordance with and subject to the provisions of the By-Laws or Uniform rules adopted by the Association, his right to enjoyment of the Common Area and Common Facilities to persons in his family, his tenants, or contract purchasers who reside at his Dwelling Unit. The Class B Member shall have the right to delegate its right to enjoyment and use of the Common Facilities and Common Area to its guests and invitees, including but not limited to potential purchasers of the Premises.

3.05 Encroachments. In the event that, by reason of the construction, reconstruction, repair, movement, settlement or shifting of any structures (including driveways) located on Premises, any such structure encroaches or shall hereafter encroach upon any portion of the Premises which is not owned by the owner of the encroachment, the following valid easements are hereby created; for the maintenance, repair, and reconstruction of any party walls or walls, as provided in Paragraph 3.07; for overhanging roofs, eaves, and trees, if any installed by the Declarant, and for replacements thereof; for gutters attached to the improvements, whether installed by the Declarant or by an Owner; and for the unwillful placement, setting or shifting of any improvements constructed, reconstructed or altered thereon.

3.05 Encroachments. (cont.) The extent of easements for party walls, eaves, overhangs, trees and gutters is that reasonably necessary to effectuate their respective purposes; easements for encroachments extend to a distance of not more than three (3) feet, as measured from any point in a common boundary along a line perpendicular to such boundary at such point. No easement for overhangs or encroachments exist if caused by the willful or intentional misconduct of the owner of such encroachment.

3.06 Utility easements. An irrevocable nonexclusive easement is hereby granted to all public or private utility companies serving the Premises, to go upon the Premises (including the Common area and the Common Facilities) at any time and from time to time for the purpose of installation, maintenance and repair of all utility facilities under the control of said utility company or which said utility company shall deem to require installation, maintenance or repair for the purpose of providing utility service to the Premises. For purposes of this Paragraph, "utility companies" shall be deemed to include, without limitation, companies providing, servicing or maintaining the facilities defined as "Utilities" in Paragraph 7.05 hereof. In addition to the above, an irrevocable nonexclusive easement is hereby reserved to the Declarant or its assignee, to go upon the Premises (including the Common Area and the Common Facilities) at any time and from time to time for the purposes of installation, maintenance and repair of a two-way communication and security system.

3.07 Party Wall Easements. Any dividing walls which straddle the boundary line between Lots or which stand partly upon one Lot and partly upon another, and any wall which serves two or more Dwelling Units, shall at all times be considered party walls, and each of the Owners of Lots upon which any such party wall shall stand or serve or benefit shall have the right to use said party wall below and above the surface of the ground and along the whole length thereof for the support of said Dwelling Units and for the support of any building constructed to replace the same and shall have the right to maintain in or on said wall any pipes, ducts or conduits originally located therein or thereon subject to the restrictions hereinafter contained.

(a) No Owner or any successor in interest to any such Owner shall have the right to extend said party wall in any manner, either in length, height or thickness.

(b) In the event of damage to or destruction by fire or other casualty of any party wall, including the foundation thereof, the Owner of any Lot upon which such wall shall rest, be served or benefited by shall pay his aliquot portion of the cost of such repair or rebuilding. All such repair or rebuilding shall be done within a reasonable time, in such workmanlike manner with materials comparable to those used in the original wall and shall conform in all respects to the laws or ordinances regulating the construction of buildings in force at the time of such repair or reconstruction. Whenever any such wall or any portion thereof shall be rebuilt, it shall be erected in the same location and on the same line and be of the same size as the original wall.

(c) The foregoing provision of this Article notwithstanding, the owner of any Lot, or other interested party, shall retain the right to receive a larger contribution from another or others under any rule or law regarding liability for neglect or willful acts or omissions.

3.07 Party Wall easements. (cont.)

(c) (cont.) The right of any Owner, or other interested party, to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owners or other persons successors in title.

(d) The title of each owner to the portion of each party wall within such Dwelling Unit is subject to a cross easement in favor of the adjoining Owner for joint use of said wall.

3.08 **No Dedication to Public Use.** Nothing contained in this Declaration shall be construed or be deemed to constitute a dedication, express or implied, of any part of the Premises to or for any public use or purpose whatsoever.

3.09 **Parking Areas.** The use of any parking area by the Owners in common shall be governed by such rules and regulations as may be prescribed by the Board.

3.10 **Ingress and Egress.** Nothing herein shall be deemed to authorize the Association to restrict or prohibit any Owner from using the roadways located on the Premises for ingress and egress.

ARTICLE IV

COVENANTS FOR MAINTENANCE ASSESSMENTS

4.01 **Assessments Established.** Except as provided in Section 4.05 below, each Owner of any Lot by acceptance of a deed to such Lot, whether or not it is so expressed in such deed, is deemed to covenant to pay the Association:

(a) A general Assessment as defined in Section 4.02 of this Article; and

(b) Special Assessments, as defined in Section 4.06 of this Article; and

(c) Specific Assessments against any particular Lot that are established pursuant to any provision of the Declaration as provided in Section 4.07 of this Article and

(d) All taxes, if any, that from time to time may be imposed upon all or any portion of the assessments established by this Article.

(e) User charges assessed against particular Neighborhoods that are established pursuant to Section 4.08 of this Article.

All of the foregoing, together with interest and all costs and expenses of collection, including reasonable attorneys' fees, are a continuing charge on the land secured by a continuing lien upon the Lot against which each assessment is made as provided in Section 4.10 of this Article. Each such assessment, together with interest and all costs and expenses of collection, including reasonable attorneys' fees, also is the personal obligation of the person or persons who was or were the Owners(s) of such Lot when such assessment fell due.

4.02 Purpose of Assessments; General Assessment. The assessments levied by the Association must be used exclusively to promote the common good and welfare of the residents, to operate and manage the Association and the Common area and Common facilities, if any, and to perform such duties as may be required by this Declaration, the articles of Incorporation and By-Laws of the Association. To effectuate the following, the Association may levy an annual general assessment ("General Assessment") to provide and be used for the operation, management and all other general activities and expenses of the Association.

4.03 Initial General Assessment. The initial General assessment shall be \$5.00 per month and will remain in effect until a different General Assessment may be determined as provided in Section 4.04.

4.04 Determination of General Assessment. Except with regard to the initial General Assessment, the amount of the General Assessment shall be fixed by the Board at least thirty (30) days in advance of each General Assessment period, and shall be based upon an adopted budget. The General Assessment period shall coincide with the Association's fiscal year. Except for the initial General Assessment, written notice of the amount of the General Assessment should be given to every Owner; but the failure to give or receive such notice, or both shall not invalidate any otherwise valid assessment. The General Assessment must be payable in equal monthly installments without interest until delinquent, and prepayable in whole at any time or times during the applicable assessment period without penalty or other consideration. at the discretion of the Board, the General Assessment may be collected on a quarterly, semi-annual or annual basis rather than collected each month.

4.05 Declarant's and Builder's Assessment. Declarant and Builders shall pay to the Association the General Assessment with respect to only those Lots owned by Declarant or any such Builder and for which sodding of the lawn area has been completed. Such General assessment shall commence with respect to each such Lot on the first day of the second month following completion of the lawn area sodding and shall terminate with the end of the month during which closing is held on the sale of said Lot.

4.06 Special Assessments. In addition to the general Assessment, the Association, through the Board, may levy in any fiscal year a special assessment ("Special Assessment") applicable to that year only for the purpose of defraying, in whole or in part, known expenses which exceeded, or when mature will exceed, the budget prepared and on which the General Assessment was based.

4.07 Specific Assessments. Any and all accrued, liquidated indebtedness of any Owner to the Association arising under any provision of this Declaration also may be assessed by the Association against such Owner's Lot after such Owner fails to pay it when due and such default continues for 30 days after written notice.

4.08 Uniformity of Assessments. The General Assessment and any Special Assessment must be uniform for each Lot throughout the Premises; provided, however, the Association, through its Board may establish, and each affected Class A Member shall pay, user charges to defray the expense of providing services, facilities or benefits which may not be used equally or proportionately by all of the Class A Members or which, in the judgment of the Board or Declarant, should not be charged to every Class A Member.

4.08 Uniformity of Assessments. (cont.) Such expenses may include, without limitation, fees for the use of swimming pools and other recreational facilities, if any, that may be available for use by only certain Neighborhoods, the maintenance cost of common facilities benefiting only an identified Neighborhood, other charges for use and repair of facilities located in the Common Area or in specific portions thereof and as a consequence of their location, serve only specifically identified Lots or Neighborhoods, and fees for such other services and facilities and repairs thereto provided to Class A Members which should not reasonably be allocated among all the Class A Members' assessments. Such user charges may be billed separately to each Class a Member benefited thereby or may be added to such Class A Member's assessment as otherwise determined and collected as part thereof pursuant to provisions of this section. The determination of the Board that certain Lots are specifically benefited shall be conclusive, and the waiver of the use of such services or facilities by any Owner or Member shall not excuse such Member or owner from the payment of such user charges. Nothing herein shall require the establishment of user charges as hereinabove authorized and the Board or Declarant may elect to treat all or any portion thereof as expenses to be defrayed by Class A Member assessments.

4.09 Commencement of General Assessment. The General Assessment as to each Lot owned by a Owner other than the Declarant or a Builder commences on the first day of the month following the closing of the purchase of the respective Lot by the Owner from the Declarant or a Builder.

4.10 Lien for Assessment. All sums assessed to any Lot, together with interest and all costs and expenses of collection, including reasonable attorneys' fees are secured by a lien on such Lot in favor of the Association. Such lien is subject and inferior to the lien for all sums validly secured by any first mortgage encumbering such Lot. Except for liens for all sums validly secured by any such first mortgage, all other lienors acquiring liens on any Lot after this Declaration is recorded are deemed to consent that such liens are inferior to the lien established by this Section, whether or not such consent is specifically set forth in the instrument creating such lien. The recordation of this Declaration constitutes constructive notice to all subsequent purchasers and creditors, or either, of the existence of the Association's lien and its priority. The Association from time to time may record a Notice of Lien for the purpose of further evidencing the lien established by this Article, but neither the recording of, nor failure to record, any such Notice of Lien will affect the existence or priority of the Association's lien.

4.11 Certificate. Upon demand, and for a reasonable charge, the Association will furnish to any interested person a certificate signed by an officer of the Association setting forth whether the General Assessment and any Special Assessment or assessment against a specific Lot have been paid and, if not, the unpaid balance (s).

4.12 Remedies of the Association. If any installment is not paid within ten (10) days after the due date, the Board may upon notice to such Owner of such delinquency, accelerate the maturity of all remaining installments due with respect to the current assessment year, and the total amount shall commence bearing interest from the date of acceleration at the rate of eighteen percent (18%) per annum, or if such rate of interest shall exceed the legal limit then chargeable, the greatest rate of interest permitted under law.

4.12 Remedies of the Association. (cont.) The Association may bring an action at law against the Owner personally obligated to pay such assessment, or foreclose its lien against such Owner's Lot. No Owner may waive or otherwise escape liability for the Association's assessments. A suit to recover a money judgement for unpaid assessments may be maintained without foreclosing, waiving, or otherwise impairing the security of the Association's lien, or its priority.

4.13 Foreclosure. The lien for sums assessed pursuant to this Article may be enforced by judicial foreclosure in the same manner in which mortgages on real property from time to time may be foreclosed in the State of Florida. In any such foreclosure, the Owner is required to pay all costs and expenses of foreclosure, including reasonable attorneys' fees. All such costs and expenses are secured by the lien foreclosed. The Owner also is required to pay to the Association any assessments against the Lot that became due during the period of foreclosure, which assessments also are secured by the lien foreclosure. The Association has the right and power to bid at the foreclosure or other legal sale to acquire the Lot foreclosed, or to acquire such Lot by deed or other proceeding in lieu of foreclosure, and thereafter to hold, convey, lease, rent, encumber, use, and otherwise deal with such Lot as its owner for purposes of resale only. If any foreclosure sale results in a deficiency, the court having jurisdiction of the foreclosure may enter a personal judgement against the Owner for such deficiency.

4.14 Subordination of Lien. Except where a notice of lien has been filed in the public records prior to the recording of a valid first mortgage the lien for the assessments provided in this Article is subordinate to the lien of any such first mortgage. Sale or transfer of any Lot does not affect the assessment lien. The Association may give any encumbrancer of record 30 days notice within which to cure such delinquency before instituting foreclosure proceedings against the Lot. Any encumbrancer holding a lien on a Lot may pay, but is not required to pay, any amounts secured by the lien established by this Article; and, upon such payment, such encumbrancer will be subrogated to all rights of the association with respect to such lien, including priority.

4.15 Homesteads. By acceptance of a deed to any Lot, each Owner is deemed to acknowledge conclusively and consent that all assessments established pursuant to this Article are for the improvement and maintenance of any homestead thereon and that the Association's lien has priority over any such homestead.

4.16 Reserve Fund. The Association shall maintain a Reserve Fund to be used solely for making expenditures in connection with the repair, replacement and maintenance of the Common Facilities (the "Reserve Fund"). The Board shall determine the appropriate level of the Reserve fund based on a periodic review of the useful life of the Common facilities, including but not limited to, roadways or other paved areas, as well as periodic projections of the cost of anticipated major repairs or improvements to the Common Facilities. Each budget shall disclose that percentage of the General Assessment which shall be added to the Reserve Fund and each Owner shall be deemed to make a contribution to the Association equal to such percentage multiplied by each installment of the General Assessment paid by such Owner.

4.17 **Funding of Association.** Upon the first closing of any lot, by declarant to a purchaser for value, excluding any builder, and upon the resale of any lot, the purchasing owner shall make a funding contribution to the Association in an amount equal to two (2) months of the annual assessment at the rate in effect with respect to the lot as of the closing, said amount shall be held and used by the association for it's working capital needs. This payment shall not be refundable or be applied as a credit against the owners Assessment.

4.18 **Master Association Assessments.** Pursuant to Paragraph 4.09 of the Master Association Declaration, every Owner, upon acceptance of a deed of conveyance for a Lot, covenants to pay assessments to the Master Association. At the option of the Board of directors of the Master Association, such assessments shall either be paid by each Owner directly to the Master Association or shall be collected from each Owner by the Association as part of its own General Assessment.

ARTICLE V

ANNEXATION OF ADDITIONAL PREMISES

5.01 **Annexation.** Declarant may, at its sole discretion, from time to time elect to bring within the jurisdiction of this Declaration additional land (whether or not owned by it) contiguous to the Premises; provided, however, that the addition of such land must be consistent with the functions of the Association. Declarant is not obligated in any manner by this Declaration to annex additional property to the Premises or to annex any particular tract, or to annex tracts in any particular sequence, or to annex contiguous tracts, it being the intention hereof that Declarant may decline to exercise the rights granted in this Paragraph 5.01 or may elect to exercise such rights only to a limited extent.

5.02 **Declarations of Inclusion.** The additions authorized by the provisions of this Article V shall be made by recording in the Public Records of Hernando county, Florida, a declaration ("Declaration of Inclusion") with respect to the additional property, which shall extend the jurisdiction of this Declaration to the property to be so annexed (hereinafter sometimes referred to as the "Additional Premises") and shall be executed by the fee title holder(s) of such additional property, as well as Declarant. Any Declaration of Inclusion may contain such complementary additions and modifications of the covenants and restrictions contained in this Declaration as are not inconsistent with the intent and purpose of this Declaration. At such time as the declarant causes the recording of a Declaration of Inclusion, then, in such event:

(a) The provisions of the Declaration applicable to the Common Area located on the Additional Premises, and the rights of Declarant with respect thereto, and all other rights, easements, covenants, restrictions, burdens, uses and privileges appurtenant to the Common Area shall include and apply to the Common area as extended by such annexation.

(b) Every person or entity who shall become an Owner subject to assessment under Paragraph 4.01 hereof located in such Additional Premises, shall be and become a Class A Member of the Association on the same terms and conditions, and subject to the same qualifications and limitations, as those Class A Members who are then Owners located on the Premises.

5.02 Declaration of Inclusion. (cont.)

(c)* Declarant shall have and enjoy in such Additional Premises all easements and exercise all rights, privileges and immunities reserved to it in this Declaration in the same manner and with all same force and effect as though the term "Premises" as used in this Declaration included such Additional Premises.

(d) In all other respects, all the provisions of this declaration shall include and apply to such Additional Premises and to the Owners located therein and thereon and to any Commonly-Administered Property established on such Additional Premises in the same manner and with the same force and effect as though such Additional Premises had been subjected to the provisions of this Declaration.

5.03 Annexations Relating From Mergers. Upon a merger or consolidation of the Association with another association, its properties, rights and obligations shall, by operation of law, become those of the surviving or consolidated association. The surviving or consolidated association may administer the covenants and restrictions established by this Declaration within the Premises, together with the covenants and restrictions established upon any other properties as one scheme.

5.04 Power to Amend. Declarant hereby retains the right and power to record a supplemental declaration (which may be a Declaration of Inclusion) at any time and from time to time, which amends or supplements Exhibit B which document shall be executed by the fee title holders of such Additional Premises, as well as Declarant, and contain such complementary additions and modifications of the covenants and restrictions contained in this Declaration as are not inconsistent with the intent and purpose of this Declaration. Exhibit B may only be amended or supplemented pursuant to this Article and shall not be amended to reduce or remove any real estate which is described in Exhibit B immediately prior to the recording of such supplemental declaration.

ARTICLE VI

POWERS AND DUTIES OF THE ASSOCIATION

6.01 General Powers of the Board. The Board shall have all powers and duties granted to it or imposed upon it by this Article, the Declaration, the By-Laws and Chapter 617, Florida Statutes, and all powers and duties reasonably necessary to administer, govern and maintain the Common Area, including but not limited to the following:

(a) To make and collect assessments against Class A Members of the Association for the purpose of defraying the charges and expenses of the Common area and operation of the Association. Assessments paid by Class A Members shall be held in trust by the Association and used solely to pay: (i) the cost of operation, maintenance preservation, enhancement or repair of the Common Area and Common Facilities and other costs related thereto, (ii) the cost of administration of the affairs of the Association, including payment of applicable taxes and the preservation of the association's existence, to the extent properly allocable to the performance of the Associations duties under this Declaration, and

6.01 General Powers of the Board. (cont.)

(a)(cont.) (iii) any other purpose contemplated pursuant to Paragraphs 3.30 and 4.02 and 6.04 hereof or elsewhere herein. To the extent not expended in the year in which paid, assessments shall continue to be held in trust by the Association for the benefit of the Members to be expended solely for the aforesaid purposes or, upon any termination of the Association, the unexpended portion shall be disbursed ratably to the Class A Members.

(b) To use the proceeds of assessments in the exercise of its powers and duties.

(c) To adopt rules and regulations governing the use, maintenance and administration of the Common Area and for the health, comfort, safety and general welfare of persons using the Common Area.

(d) To repair, maintain, improve and replace the Common Area and all Common facilities thereon irrespective of the Building served thereby; and to have such rights of ingress and egress over and upon the Premises as may be required to exercise such rights.

(e) To provide maintenance and services with respect to the Common Area, including maintenance, repair and replacement of all Common Facilities and landscaping located on any Common Area.

(f) To pay for, out of the assessment funds provided for in Article IV hereof, all taxes and assessments and other liens and encumbrances which shall properly be assessed or charged against the Common Area, subject to the provisions of Paragraph 6.03 hereof.

(g) To retain and compensate a firm to manage the Association and the Common Area or any separate portion thereof, and provide the services of such other personnel as the Board shall determine to be necessary or proper for the operation of the Association, whether such personnel are employed directly by the Board or by such manager.

(h) To provide any material, supplies, insurance, furniture, equipment, fixtures, labor, services, maintenance, repairs, taxes or assessments which the Board is required to obtain or pay for pursuant to the terms of this Declaration or the By-Laws, or which in its opinion shall be necessary or proper for the operation or protection of the Association and its members or for the enforcement of this Declaration.

(i) To make dedications and grant utility easements in connection with the Common Area.

(j) To obtain, and the Board shall obtain, such policy or policies of insurance to insure the Association against any liability in connection with the ownership and operation of the Common Area including, but not limited to, the following:

(i) Insurance on the Common Area against loss or damage by fire and against loss or damage by risks now or hereafter embraced by standard extended coverage and vandalism and malicious mischief endorsements, in an amount sufficient to prevent the insured from being a co-insurer within the terms of the applicable policies, but in any event in an amount not less than one hundred percent (100%) of the full insurable replacement cost thereof.

6.01 General Powers of the Board. (cont.)

(j)(cont.) (i)(cont.) The "full insurable replacement cost" of the Common Area shall be determined from time to time by the Board, which determination may be based upon appropriate insurance appraisals. All policies of insurance of the character described in this subparagraph shall name as insureds, the Declarant so long as it has an insurable interest, and the Association.

(ii) Comprehensive public liability and property damage insurance against claims for personal injury or death or property damage suffered by the public or by any Owner occurring in, on or about the Common Area or upon, in or about the streets and passageways and other areas adjoining the Common area, such public liability and property damage insurance to afford protection to such limits as the Board shall deem desirable. All policies of insurance of the character described in this subparagraph shall contain a "severability of interest" endorsement which shall preclude the insurer from denying claim of an Owner on account of the negligent acts of the Association or another Owner.

(iii) Such worker's compensation insurance as may be necessary to comply with applicable laws.

(iv) Employer's liability insurance in such amount as the Board shall deem desirable.

(v) Fidelity insurance against dishonest acts on the part of directors, managers, trustees, employees or volunteers responsible for handling funds belonging to or administered by the Association, naming, as the insureds, the Declarant so long as it has an insurable interest, and the Association and written in an amount which is no less than one and one-half (1½) times the insured's estimated annual expense and reserves. Such bond shall contain waivers of any defense based on the exclusion of persons who serve without compensation from any definition of "employee" or similar expression. Such bond shall provide that it may not be cancelled for non-payment of any premium or otherwise substantially modified without thirty (30) days prior written notice to all holders of first mortgages of record.

(vi) Such other insurance (including insurance with respect to officers' and directors' liability insurance) in such reasonable amounts as the Board shall deem desirable.

6.02 Special Powers of the Board. The Board shall have the following additional rights and powers, and shall pay the costs and expenses of exercising the same out of the assessment funds:

(a) To execute, on behalf of all Owners, all divisions of ownership for tax assessment purposes with regard to the Common Area or any portion thereof.

(b) To borrow funds to pay costs of operation secured by assignment or pledge of rights against delinquent Owners and such other collateral as determined by the Board.

(c) To borrow funds using the Common Area as collateral for any indebtedness or obligation of the Association (whether or not the proceeds of such indebtedness or obligation are used for the improvement of the Common area)

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6.02 Special Powers of the Board. (cont.)

(d) To acquire, by gift, transfer, purchase, exchange or otherwise, additional property and to make such property subject to the provisions of this Declaration by executing and recording an amendment hereto. In addition, the Board may, without acquiring additional property, make additional property subject to this Declaration by recording an amendment hereto, executed by the Owner(s) of fee simple title to such additional property.

(e) To enter into contracts; maintain one or more bank accounts granting authority as the Board shall desire to one or more persons (including the managing agent of the Community Area) to draw upon such accounts; invest surplus funds of the Association in U.S. Government Securities or in passbook savings accounts insured by the Federal Deposit Insurance Corporation or the Federal Savings & Loan Insurance Corporation or in certificates of deposit; and generally, to have all the powers necessary or incidental to the operation and management of the Association.

(f) To protect or defend the Common Area from loss or damage by suit or otherwise, and to provide adequate reserves for the replacements.

(g) To adjust the amount, collect and use any insurance proceeds to repair damage or replace lost property.

(h) To transfer the Common Area to any title holding land trust in exchange for the entire beneficial interest therein, or to any Corporation in which the Association is the sole shareholder.

(i) To enforce the provisions of this Declaration and rules made hereunder and to enjoin and seek damages from any owner for violation of such provisions or rules.

6.03 Real Estate Taxes and Assessments. Notwithstanding anything to the contrary herein contained, and whether or not Declarant shall have conveyed to the Association title to the Common Area pursuant to Paragraph 7.07 hereof, the Association shall pay and discharge all real estate taxes and other assessments levied any public authority with respect to the Common Area.

6.04 Performance of Board's Duties by Declarant pending Conveyance. Without limiting the generality of the provisions of Article VII hereof, until such time as Declarant has conveyed to the Association all the Common Area within the existing Premises (and thereafter as additional Common Area may be added hereunder by Declarant and not conveyed to the Association), Declarant may, at its election, discharge all or any of the duties and exercise the rights and privileges of the Board with respect to the Common Area, in which event the Board shall reimburse Declarant for all costs and expenses from which the Association has been thereby relieved, and shall levy assessments required to make such reimbursement. The Association shall rely on a certificate executed and delivered by Declarant with respect to all reimbursements claimed under this Paragraph 6.04.

CERTAIN RIGHTS RESERVED TO DECLARANT

7.01 Declarant's Promotional Rights. The right is reserved by Declarant, or its agents or designees, to place and maintain on the Premises all models, sales offices, advertising signs and banners and lighting in connection therewith, and other promotional facilities at such locations, during such hours and in such forms as shall be determined by Declarant. There is also reserved unto Declarant, its agents, designees and prospective purchasers and tenants, the right of ingress, egress and transient parking in and through the Premises. Declarant also reserves the right to maintain on the Premises without charge (a) a general office for the purpose of exercising the development and management rights reserved in Paragraph 7.02 hereof and (b) appropriate permanent and transient parking facilities for the employees of Declarant and of Declarant's agents and designees and for prospective purchasers of Lots. Declarant's aforesaid reserved rights shall exist at any time Declarant is engaged in the sale or leasing of Lots on any portion of the Premises and no charge shall be made with respect thereto.

7.02 Right to Engage a Manager. Declarant reserves the right to engage the initial manager for the Association, and in furtherance of such right to enter into a contract with a person, firm or corporation for such purposes, provided said contract expires no later than five (5) years after the date that this Declaration is recorded, which contract shall be binding upon and inure to the benefit of the Association and be paid for out of the assessment fund.

7.03 Right to Amend Plats and Development Plan. Declarant reserves the right to seek and have the plan of development applicable to the premises amended, and to subdivide, vacate and/or resubdivide any subdivision plat of any portion of the Premises and to grant easements with respect thereto.

7.04 Declarant's Easements. Declarant hereby reserves a nonexclusive easement to, through, over and across the Premises at any time for the purpose of exercising the rights reserved to Declarant pursuant to this Declaration, and for the purpose of implementing the overall development of the Premises, including, without limitation, construction, marketing, leasing, management and maintenance of improvements in any portion of said area. Said rights of Declarant shall continue for the longer of (a) the termination of the Class B Membership, or (b) a period of twenty (20) years after the date of recording of this Declaration unless Declarant, by written notice to the Association, elects to terminate such rights prior to such date. All rights and easements created by this declaration are subject and subordinate to the aforescribed rights of Declarant, whether or not inconvenience to any Owner shall result therefrom.

7.05 Right of Declarant to Make Dedications and to Grant Utility Easements. As used in this Paragraph 7.05, the term "Utilities" means all public and private utility conduits, wires, pipes, cables and other lines and all associated facilities and equipment, which serve or may in the future serve the all of or a portion of the Premises, including, without limitation, those for the transmission and/or distribution of water (domestic and fire), electricity, gas, telephone, sewage, effluent, and storm water.

7.05 (cont.) Said term also includes all standpipes, hydrants, pumps, equipment vaults and other structures and facilities for the provision of fire protection services.

Declarant hereby reserves for itself and its successors and assigns the following rights with respect to the Common Area:

(a) To dedicate streets, arcades, walks, malls, parkways, rights of ways, drives, open space, water rights and other property to any governmental authority from time to time applicable to the Premises and to the public improvements therein.

(b) To dedicate space in the common area to any public or quasi-public utility or to any governmental authority for the location of Utilities serving any portion of the Premises.

(c) To reserve or grant easements in, over, under, to and across the Premises, or part(s) or portion(s) thereof, for ingress and egress to, and for installation, construction, operation, maintenance, repair, and replacement of, any or all of the Utilities.

Until Declarant's rights under Paragraph 7.03 hereof are terminated, Declarant shall have the right to tap all Utilities for the purpose of exercising all such rights. All the rights reserved pursuant to this Paragraph 7.05 may, upon conveyance or transfer of the Common Area by Declarant to the Association, be exercised by the Association or by Declarant acting on behalf of the Association.

7.06 Construction of Premises. In connection with the construction of improvements to any part of the Premises, Declarant, its agents and contractors, shall have the right, at its own expense, (but shall not be obligated) to make such alterations, additions or improvements to any part of the Premises including, without limitation, the construction, reconstruction or alteration of any temporary or permanent improvements or the Common Area which Declarant deems, in its sole discretion, to be necessary or advisable, and the landscaping, sodding or planting and replanting of any unimproved portions of the Premises. In connection with the rights provided in the preceding sentence, the Declarant, its agents and contractors, shall have the right of ingress, egress and parking on the Premises and the right to store construction equipment and materials on the Premises without the payment of any fee or charge whatsoever.

7.07 Retention of title by Declarant. Declarant may retain title to all or any portion of the Common Area until such time as Declarant has completed such improvements thereon as it elects to make and until such time as, in the opinion of Declarant, the Association is able to maintain the same, but covenants, for itself and its successors and assigns, that it shall convey and quitclaim to the Association the Common Area owned by it not later than the date specified in Paragraph 2.06 hereof, being the date upon which Declarant shall no longer have the right to appoint any director of the Association.

The association shall not be relieved of any of its obligations under this Declaration by reason of retention of title by Declarant to all or any portion of the Common Area, including, without limitation, the obligation to pay all assessments levied with respect to the Common Area as provided in Paragraph 6.01 of this Declaration, and including further, the obligation to maintain, repair and reconstruct the Common Area and to defray the cost thereof by assessments.

7.08 **Terms of Conveyance of Common Area** Upon any conveyance or assignment to the Association of the Common Area, Declarant shall be entitled to a proration credit for all unreimbursed expenses of the Association defrayed by Declarant (including insurance and real estate taxes) which have not been theretofore reimbursed to Declarant. Title to the Common Area may be subject to all general and special title exceptions excluded from the coverage of any owner's title insurance policy covering the Common Area which Declarant shall deliver to the Association in connection with such conveyance. If the Common Area shall be held in any title-holding trust, Declarant may assign to the Association the beneficial interest in such trust in lieu of causing the trustee to convey the same by trustee's deed. The Common Area shall be conveyed or assigned without any express or implied warranties, which warranties are expressly disclaimed by Declarant.

7.09 **General.** Notwithstanding any provision herein to the contrary, the rights and easements created under this Declaration are subject to the right of Declarant to execute all documents and do all other acts and things affecting the Premises which, in the Declarant's opinion, are required to implement Declarant's reserved rights hereunder (including the making of any dedications to public use), provided any such document or act or thing is not inconsistent with the then existing property rights of any Owner.

ARTICLE VIII ARCHITECTURAL CONTROL COMMITTEE

8.01 **Premises.** No improvements (as hereinafter defined) shall be commenced, erected or maintained upon any Lot, nor shall any exterior change or alteration be made to any Improvement (except such as may be installed or approved by Declarant), unless and until written plans and specifications therefor have been submitted to and approved in writing by the Board or by an Architectural Control Committee ("Architectural Control Committee") composed of three (3) or more representatives appointed by the Board which plans and specifications shall be in sufficient detail to show the nature, kind, shape, height, materials, color and location of the same. In the event the Board (or the Architectural Control Committee, as the case may be) fails to approve or disapprove in writing such design, color and location within thirty (30) days after said plans and specifications have been submitted, approval shall be deemed given and this Article will be deemed to have been fully complied with. As used herein the term "improvements" shall mean and include buildings (both the main portion and all projections or extensions thereof), canopies, parking areas, fences, walls, gazebos, screened enclosures, hedges, trees, mass planting and other landscaping, free-standing mailboxes, and wells and any related pipes, conduits and pumping facilities. To standardize procedures for submission of plans and specifications and related information and documentation and the giving of notice, the Architectural Control Committee may implement rules and procedures. In connection therewith, the Architectural Control Committee shall have the right to charge a reasonable fee for reviewing each application for approval of plans and specifications. Notwithstanding the provisions of this Article or the prior establishment, imposition or enforcement of architectural standards and requirements may be waived or modified by the Architectural Control Committee at its discretion.

8.0 Building Exteriors, Lot Maintenance. Each Owner shall be required, at its sole cost and expense, to maintain and keep the Lot and any and all improvements thereon in good condition and repair. If any Owner shall fail to maintain or repair the exterior of any improvement thereon, the Association, in addition to all other remedies available to it hereunder or by law and without waiving any of said alternative remedies, shall have the right, after ten (10) days written notice to the Owner, through its agents and employees, to enter upon the property of said Owner without being guilty of trespass and to repair, maintain and restore any Improvements thereon and to provide Lot cleanup as deemed necessary by the Board to bring such Lot into compliance with the restrictions and requirements of this Declaration. Any sums so spent by the Association shall, on demand, be immediately due and payable to the Association by the defaulting Owner, and the association shall have the same remedies to enforce collection of such sums as for other unpaid assessments hereunder.

ARTICLE IX

USE AND OCCUPANCY RESTRICTIONS

9.01 General Restrictions.

(a) Except as provided in Article VII hereof, no owner shall conduct, maintain or permit any industry, business, trade, occupation or profession of any kind on any part of the Common Area or on any Lot. The activities of Declarant or its designees in connection with the sale of any part or all of the Premises or the construction of improvements thereon and the activities of any managing agent performed pursuant to a management contract between such managing agent and the Association shall not be subject to this Article. Declarant's aforesaid reserved rights shall exist at any time Declarant is engaged in the sale or leasing of Lots or construction of Dwelling Units on any portion of the Premises.

(b) **Prescribed Activities.** No noxious or offensive activity shall be carried on anywhere within the Premises nor shall anything be done therein, either willfully or negligently, which may be or become an annoyance or nuisance to the Owners.

9.02 Common Area Restrictions.

(a) **Obstructions.** Except as permitted under Section 7.06, there shall be no obstruction of the Common Area, and nothing shall be stored in the Common Area without the prior consent of the Board. No signs of any kind shall be placed on the Common Area without consent of the Association.

(b) **Pets.** No animal of any kind shall be raised, bred or kept in the Common Area. The Board may from time to time adopt rules and regulations governing the use of the Common Area by pets. Any pet causing or creating a nuisance or unreasonable disturbance on the Common Area shall be permanently removed from the Premises upon three (3) days written notice from the Board to the Owner of the Dwelling Unit containing such pet and the decision of the Board shall be final.

(c) **Structural Impairment.** Nothing shall be done in, on or to the Common Area which would impair the structural integrity of any building or structure located thereon.

9.02 Common Area Restrictions. (cont.)

(d) **No Unsightly Uses.** No clothes, sheets, blankets, laundry of any kind or other articles shall be hung out on any portion of the Common Area nor shall any vehicle including but not limited to, recreational vehicles, campers, trailers, motor homes, automobiles, trucks, vans boats, golf carts or motorcycles be stored or parked upon any portion of the Common Area except in those areas specifically designated for such vehicles by the Board. The common Area shall be kept free and clear of all rubbish, debris and other unsightly materials and no waste shall be committed thereon. All rubbish shall be deposited in such areas and such receptacles as shall be designated by the Board. In addition, the Board may authorize any vehicles parked in violation of any parking regulations issued in connection with the Common Area to be towed away and any such towing charge shall become a lien upon the Lot of the Owner of the vehicle in the same manner as provided in Article IV hereof for non-payment of maintenance assessments.

(e) **Condemnation.** In the case of a taking or condemnation by competent authority of any part of the Common Area, the proceeds awarded in such condemnation shall be paid to the Association and such proceeds, together with any capital reserves being held for such part of the Common Area, shall, in the discretion of the Board, either (a) be applied to pay the assessments levied by the Association, (b) be distributed to the Members, or (c) be used to acquire additional real estate to be used and maintained for the mutual benefit of all Owners, as Common Area under this Declaration. Any acquisition by the Association pursuant to this Paragraph of real estate which shall become Common Area hereunder shall not become effective unless and until a Declaration of Inclusion, which refers to this Paragraph and legally describes the real estate affected, is executed by the Association and recorded.

(f) **Swimming Pool.** If the Common Facilities include a swimming pool serving the Premises, the Board shall promulgate and enforce rules and regulations pertaining to its use, which rules and regulations shall be made available to all Owners.

9.03 Lot Restrictions. The following restrictive covenants are easements and covenants running with the land and are binding upon all Owners, their successors and assigns:

(a) The Lots shall be used only for residential purposes, and no professional business or commercial use shall be made of the same, or any portion thereof, provided further that nothing herein shall be construed in such a manner as to prohibit an Owner from (a) maintaining his personal professional library therein; (b) keeping his personal, business or professional records or accounts therein; or (c) handling his personal business or professional telephone calls or correspondence therefrom. In addition, nothing herein shall prohibit Declarant from exercising the rights permitted to Declarant and its designee under Paragraph 7.01.

(b) No noxious or offensive activity shall be carried on upon any Lot nor shall anything be done thereon which may become an annoyance or nuisance to the neighborhood. No inflammable, combustible or explosive fluid or chemical substance shall be kept on any Lot except such as are required for normal household use and same shall be kept within the Dwelling Unit constructed on said Lot. No Owner shall permit or suffer anything to be done or kept in his Dwelling Unit or, where applicable, on his Lot which will increase the rate of insurance as to other Owners or to the Association.

9.03 Lot Restrictions. (cont.)

(c) No structure of a temporary character, trailer, tent shack, garage, barn or other outbuilding shall be used on any Lot at any time as a residence either temporarily or permanently except that the Declarant may place any type of temporary structure on any Lot at any time to aid in its construction and/or sales activities. Further, no shed, detached garage or other detached structure shall be placed or constructed on any Lot without the written consent of the Architectural Control Committee.

(d) No Lot shall be used or maintained as a dumping ground for rubbish, nor shall weeds and cuttings be allowed to accumulate on the Lot. Trash, garbage or other waste shall not be kept except in sanitary containers or as required by the Association or the applicable ordinances of Hernando County. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition.

(e) No Water wells or pumping activities (including using water from lakes and ponds for irrigation purposes) shall be permitted anywhere on the Premises unless such system is designed, located, constructed and equipped in accordance with the requirements, standards and recommendations of the Architectural Control Committee and all applicable governmental authorities and approval of such system is obtained from the Architectural Control Committee, such governmental agencies, and the Board of Directors of the Master Association, which approval may be conditioned or terminated at any time by the Master Association.

(f) No vehicles which are primarily for commercial purposes (except those parked briefly for delivery or repair purposes), trucks in excess of 3/4 ton, travel trailers, campers, boats or boat trailers, recreational vehicles or automobiles not in operable condition and validly licensed may be parked in any driveway or upon any Lot except in a closed garage concealed from public view. No motor vehicle or boat repair work shall be conducted on any Lot other than very minor repairs.

(g) No mail boxes of any type shall be placed upon any Lot, nor affixed to any Dwelling Unit unless same has been specifically approved by the Architectural Control Committee, it being the intention of the Declarant to maintain uniform and centrally located mail boxes throughout the community.

(h) There shall be no television, radio, or other antenna(e), of any type or nature whatsoever located upon the exterior of any Dwelling Unit, nor protruding from the interior to the exterior, nor shall any tower or satellite dish be located on any lot without the express written approval of the Architectural Control Committee granted in accordance with Article VIII of the Declaration.

(i) There shall be no wall or window type air conditioning unit(s) in any Dwelling Unit

(j) Except in connection with the exercise by the Association, the Master Association, and the Golf Club of their powers to regulate the level of bodies of water on the Premises, no Lot shall be increased in size by filling in any water it may abut. The elevation of a Lot will not be changed so as to materially affect the surface elevation or grade of the surrounding Lots without the prior written approval of the Architectural Control Committee.

9.03 Lot Restrictions. (cont.)

(k) The Association shall landscape and maintain all lawn areas surrounding the Dwelling Units, including the front and back lawns, which maintenance shall include planting watering, mowing, trimming and fertilizing as deemed appropriate by the Association. No artificial grass, plants, flowers or other similar items and no lawn ornamentation such as birdbaths, sundials and statuary and no swing sets or play equipment shall be placed or maintained upon any Lot, unless approved by the architectural Control committee, which approval may be conditioned on the payment by Owner of any increased lawn mowing and maintenance expense that shall result from the placement of such items on the Lot. No alteration in the landscaping or addition thereto shall be made by the Owner nor shall any vegetable gardens or beds be planted thereon unless approved by the Architectural Control Committee.

(l) No automobile garage shall be permanently enclosed or converted to other use without the substitutions of another enclosed automobile storage facility upon the Lot. All Lots shall have a paved driveway of stable and permanent construction. Unless prior approval of the Architectural Control Committee is obtained, the driveway base shall be concrete. No driveway surface shall be altered, painted, repainted, or otherwise artificially colored or recolored without the prior approval of the Architectural Control committee.

(m) "Neither fences nor clotheslines shall be permitted within the Premises. (As Amended, First Amendment March 8, 1990)

(n) No sign of any kind shall be displayed to the public view on any Lot, except for the following:

(i) One (1) "For Sale" or "For Rent" sign not exceeding 2' x 3' in size.

(ii) One (1) "Open" sign not exceeding 2' x 3' in size when the Owner or his designated sales or rental agent is in attendance.

All signs mentioned above shall be of uniform size, color and design, as established by the Architectural Control Committee; provided, however, specific information such as the real estate broker's name and telephone number may appear on such sign in the manner set forth by the Architectural Control Committee.

This provision shall not apply to the Declarant.

(o) No animals of any kind shall be raised, bred or kept on any Lot, except that one (1) common household pet, such as a dog or a cat, may be kept provided that it is not kept, bred or maintained for commercial purposes and provided that all pets must be kept in cages or on leashes when outside of the Dwelling Unit. Any pet causing or creating a nuisance or unreasonable disturbance shall be permanently removed from the Property upon three (3) days written notice by the Association to the owner thereof or the Owner of the Lot containing such pet. Any Owner walking a pet outside his Lot shall be required to keep such pet on a leash, to walk the pet only in the Common Area and to immediately remove and dispose of any waste created by the pet.

(p) All Lots located in the Premises shall be watered by a central unified sprinkler system, the location and operation of which shall not be altered or tampered with in any manner by any Owner. The water of Lawns shall be conducted by the Association, subject to governmental restriction, in the manner deemed appropriate by the Association.

(q) Construction of improvements on the Lot must commence on or before two (2) years after conveyance of title to the Lot to the Owner, and construction must be complete and the improvements approved for occupancy on or before one (1) year after the date of commencement of construction of the foundation of the Dwelling Unit. In the event the Owner fails to commence construction within such two (2) year period, within thirty (30) days after the expiration of such period, the Lot Owner shall sod that

9.03 Lot Restrictions. (cont.)

(q) cont. portion of the Lot lying between the set-back lines and the Lot lines and shall grass the remainder of the Lot. The Owner shall also install underground irrigation facilities therefor and cause such irrigation system to be connected to water lines, to be metered and operational so as to keep the Lot irrigated on a regular basis.

(r) The only Dwelling Units permitted to be constructed on the premises are those that are built and offered for sale by the Declarant, and in connection therewith, set-backs and Dwelling Unit square footage shall be determined by the Declarant but in any event shall, at a minimum, conform to current building codes and ordinances.

(s) Unless approved in writing by the Architectural Control Committee, all decks, including swimming pool decks must connect with or be contiguous to any patio that is part of the Dwelling Unit so that no landscape area requiring maintenance by the Association lies between the deck and patio. Setback distance for swimming pools and screened enclosures, if permitted on the Premises, shall be established by the Architectural Control Committee.

(t) No more than one (1) Family shall occupy a Dwelling Unit as permanent place of residence; provided, however, guests may temporarily reside in the Dwelling Unit for periods not exceeding a total of thirty (30) days in any calendar year without the prior written consent of the Board of Directors of the Association.

(u) All swimming pools shall be enclosed by a screened enclosure or other enclosure approved by the Architectural control committee. (As Amended, First Amendment March 8, 1990)

9.04 Provisions Inoperative as to Initial Construction. Nothing contained in this Declaration will be interpreted, construed, or applied to prevent the Declarant or its or their contractors, subcontractors, agents, and employees, from doing or performing on all or any part of the Common Area of that portion of the Premises owned or controlled by the Declarant, whatever they determine to be reasonably necessary or convenient to complete The work.

9.05 Amendment By Board. The Board may from time to time adopt or amend previously adopted rules and regulations governing the details of the operation, use, and maintenance, management and control of the Premises and governing and restricting the use and maintenance of the Lots and improvements and landscaping thereon, provided, however, that copies of such rules and regulations are furnished to each Owner prior to the time same became effective and provided that said rules and regulations are a reasonable exercise of the Association's power and authority based upon the overall concepts and provisions in this Declaration.

ARTICLE X

GENERAL PROVISIONS

10.01 Binding Effect. The covenants, conditions and restrictions of this Declaration shall run with and bind the Premises and shall inure to the benefit of and be enforceable by the Association and/or the owner of any real property subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of thirty (30) years from the date that this Declaration is recorded, after which time

10.01 Binding Effect. (cont.) the same shall be automatically extended for successive periods of ten (10) years unless, prior to the end of such thirty (30) year period or the ten (10) year period then in effect, as the case may be, (but not before the termination of the Class B Membership) there shall be recorded in the Public Records of Hernando County, Florida, an instrument signed by the then Owners and their mortgagees representing seventy-five percent (75%) or more of the Lots which are subject to the provisions of this Declaration, affirmatively electing not to extend the term of this Declaration, in which event this Declaration shall terminate at the end of the then current thirty (30) year or ten(10) year period, as the case may be.

10.02 Amendment. Declarant may amend this Declaration by an instrument executed with the formalities of a deed without the approval or joinder of any other party at any time prior to termination of its Class B Membership. Upon termination of the Class B Membership, this declaration may be amended, rescinded, or terminated: (i) on or before January 1, 2004, by an instrument executed by the Association with the formalities from time to time required of a deed and signed by ninety percent (90%) of all Owners; and, (ii) thereafter by an instrument so executed by the Association and signed by not less than seventy percent (70%) of all Owners. No amendment is effective until recorded and the Association's proper execution will entitle it to public record, notwithstanding the informal execution by the requisite percentages of owners. Notwithstanding any provision in Paragraph 10.01 or in 10.02, as rescission, termination or election not to extend this Declaration shall be effective, whether or not recorded in the Public records of Hernando County, Florida, unless and until such action shall be consented to in writing by the Master Association and an instrument evidencing such consent and affirmation executed with the formality of a deed, has also been recorded in the Public Records of Hernando County, Florida.

10.03 Rights of Mortgagees. Any Mortgagee has the following rights:

(a) **Inspection.** During normal business hours, and upon reasonable notice and in a reasonable manner, to inspect the books, records, and papers of the Association.

(b) **Copies.** Upon payment of any reasonable, uniform charge that the Association may impose to defray its costs, to receive copies of the Association's books, records, or papers, certified upon request.

(c) **Financial Statements.** Upon written request to the Secretary of the Association, to receive copies of the annual financial statements of the Association, provided, however, the Association may make a reasonable charge to defray its costs incurred in providing such copies.

(d) **Meetings.** To designate a representative to attend all meetings of the membership of the Association, who is entitled to a reasonable opportunity to be heard in connection with any business brought before such meeting but in no event entitled to vote thereon.

By written notice to the Secretary of the Association, and upon payment to the Association of any reasonable annual fee that the Association from time to time may establish for the purpose of defraying its costs, any Mortgagee also is entitled to receive any notice that is required to be given to the Class "A" members of this Association under any provision of this Declaration or the Association's Articles or By-Laws.

10.04 Headings. The headings contained in this Declaration are for reference purposes only and shall not in any way affect the meaning or interpretation of this Declaration.

10.05 Notices. Any notice required or desired to be given under the provisions of this Declaration to any Member, Owner or any other person entitled to use or enjoy the Common Area, or any part hereof, shall be deemed to have been properly delivered when deposited in the United States mail, postage prepaid, directed to the last known person who appears as a Member, Owner or other person entitled to notice, at the last known address for each such person, all as shown on the books and records of the Association at the time such notice is given. In the event that the Owner of any Dwelling Unit should change (because of sale, gift, testamentary disposition or otherwise), the new Owner shall promptly notify the Association, by delivering or mailing written notice of such change to the office of the Association.

10.06 Enforcement. Enforcement by the Association or any aggrieved Owner of these covenants, conditions, restrictions and easements shall be permissible by any proceeding at law or in equity or by imposition of fines by the Association against any person or persons violating or attempting to violate any covenant, condition, restriction or easement, either to restrain violation or to recover damages, or both, and against the land to enforce any lien created by this Declaration; and failure by the Association (or by Declarant in its behalf) or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

10.07 Severability. Invalidation of any one of these covenants, conditions, restrictions or easements or the application thereof to a specific circumstance by judgement or court order shall in no wise affect any other provisions which shall remain in full force and effect or the application of said invalidated covenant, condition, restriction or easement to other circumstances.

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

10.09 Withdrawal. Anything herein to the contrary notwithstanding, Declarant reserves the absolute right to amend this Declaration at any time, without prior notice and without the consent of any person or entity, for the purpose of removing certain portions of the Premises from any or all of the provisions of this Declaration.

10.10 Lease Restrictions. Any lease entered into by an Owner with regard to his Lot shall contain a provision requiring that the terms of the lease shall be subject in all respects to the provisions of this Declaration, the By-Laws, and that any failure by the lessee to comply with the terms of such documents shall be a default under the lease.

10.11 Responsibility of Successors and Predecessors to Declarant. No party exercising any rights as Declarant here under shall have or incur any liability for the acts of any other party which previously exercised or subsequently shall exercise such rights.

10.12 Perpetuities and other Invalidity. If any of the options, privileges, covenants or rights created by this Declaration would otherwise be unlawful or void for violation of (a) the rule against perpetuities or some analogous statutory provisions, (b) the rule restricting restraints on alienation, or (c) any other statutory or common law rules imposing time limits, then such provisions shall continue only until twenty-one (21) years after the death of the survivor of the now living lawful descendants of George Bush, President of the United States. If any easement created by this Declaration for the benefit of the Association shall be declared invalid by a final decree of a court of competent jurisdiction, the Association shall be immediately vested with, and is hereby granted, leased and demised, a leasehold estate in the portion of the servient estate theretofore burdened by such easement, for term which shall commence on the date of such decree and shall expire simultaneously with the expiration of the term of this Declaration, for the same purposes and on the same terms and conditions as theretofore applied to said easement interest, except that the Association shall be required to pay as rent for said leasehold estate, an annual rental of \$100 per year for each calendar year or portion thereof which shall elapse during the demised term.

10.13 Master Association.

(a) **Membership.** Each Owner is a member of the Master Association and is subject to the terms and provisions of the Master Declaration. Master Association Membership is appurtenant to and shall not be separated from a Lot. Each Owner, by acceptance of a deed to a lot, whether or not this Declaration or mention thereof is made a part of, incorporated by reference, or expressed in such deed or conveyance, subjects his Lot to all of the obligations, burdens and benefits of the Master Association Declaration.

(b) **Creation of the Lien and Personal Obligation for Assessments.** Each Owner (excluding Declarant, its affiliates, the Association and the Master Association) by acceptance of a deed to a Lot, whether or not it shall be so expressed in such deed or other conveyance for a Lot, hereby covenants and agrees and shall be deemed to covenant and agree, personally and unconditionally, and if there is more than one Owner of such Lot, jointly and severally to pay the Master Association such assessments as are levied by the Master Association. Each such assessment, together with such interest and costs thereon, shall also be a personal obligation of the Owner who was the Owner of such Dwelling Unit at the time when the same fell due.

(c) **Non-Payment of Assessments.** The Master Association shall have a lien for unpaid assessments, together with interest thereon, against such Lot and on all tangible personal property located thereon, as set forth in Article IV of the Master Association Declaration.

O. R. 849 PG 0692

IN WITNESS WHEREOF, the undersigned has caused this instrument to be executed as of the day and year first above written.

WITNESSES:

Laura A. Windham
LAURA A. WINDHAM
Vicki Len Glover
VICKI LEN GLOVER

The GlenLakes Partnership
a Florida general partnership
Ralph S. Glover
Ralph S. Glover
Manager Partner

STATE OF FLORIDA
COUNTY OF HERNANDO

I Gale W. Buchanan, a Notary Public in and for the said County and State aforesaid, DO HEREBY CERTIFY that Ralph S. Glover, personally known to me as Manager Partner of The GlenLakes Partnership, appeared before me this day and acknowledged that he signed and delivered the said instrument as his own free and voluntary act and as the free and voluntary act and deed of said GlenLakes Phase One-Unit Two, for the uses and purposes therein set forth.

GIVEN under my hand and seal this 9th day of JANUARY, 1992.

FL D/L # G416-737-24-044

Gale W. Buchanan
Gale W. Buchanan

Notary Public, State of Florida at Large

My Commission Expires July 2nd, 1995. Bonded thru General Ins. land

THIS INSTRUMENT WAS PREPARED BY AND RETURN TO:

The GlenLakes Partnership
9000 Glen Lakes Blvd.
Brooksville, FL 34613

R



O. R. 849 PG 0693

CONSENT OF MORTGAGEE

The undersigned, First Florida Bank, N.A., a national banking association (the "Bank"), is the holder of a Note secured by that certain Mortgage dated as of May 31, 1989 and recorded in O. R. Book 734, Page 1183, of the Public Records of Hernando County, Florida. The Bank hereby consents to the execution and recording of the within Declaration of Covenants, Conditions, Restrictions and Easements for The Villages of GlenLakes Association Phase I, Unit II, Inc. and acknowledges and agrees that the aforesaid Mortgage is subject and subordinate thereto.

IN WITNESS WHEREOF, First Florida Bank, N.A. has caused this instrument to be executed by its duly authorized officers on its behalf on this 23 day of December, 1991.

By: [Signature]
Its: Vice President WILLIAM C. WILLIAMS

Attest:

By: [Signature]
Its: Vice President CARY E. WHITE

STATE OF FLORIDA

COUNTY OF HILLSBOROUGH

I Barbara B. Prickett a Notary Public in and for said County and State aforesaid, do hereby certify that William C. Williams and Cary E. White personally known to me to be the same persons whose names are subscribed to the foregoing instrument, as Vice President and Vice President, respectively, of First Florida Bank, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the corporate seal, and delivered the said instrument as the free and voluntary act of said Bank, and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and seal this 23 day of December, 1991.

[Signature]
Notary Public
Barbara B. Prickett

My Commission Expires:

Notary Public, State of Florida
My Commission Expires Dec. 3, 1995
Bonded thru Troy Felt - Insurance Inc.

O. R. 849 PG 0694



EXHIBIT "A"

Lots 376 through 382 inclusive, Lots 401 through 405 inclusive and Lots 610 through 635, inclusive all in GLENLAKES, PHASE ONE, UNIT TWO A, according to Plat thereof recorded in Plat Book 26, Pages 14 through 19, Public Records of Hernando County, Florida.

BY-LAWS
OF
THE VILLAGES OF GLENLAKES HOMEOWNERS ASSOCIATION
PHASE I UNIT II, INC.

ARTICLE I
Name and Location

The name of the corporation is THE VILLAGES OF GLENLAKES HOMEOWNERS ASSOCIATION, PHASE I, UNIT II, INC., hereinafter referred to as the "Association." Meetings of Members and directors may be held at such places within the State of Florida as may be designated by the Board of Directors.

ARTICLE II
Definitions

Unless the context expressly requires otherwise, the terms used herein shall have the meanings set forth in the Declaration of Covenants, Conditions, Restrictions and easements for GlenLakes recorded in O.R. Book , Pages through , of the Public Records of Hernando County, Florida, as amended ("Declaration").

ARTICLE III
Meeting of Member or Members

Section 1. Annual Meetings. All annual and special meetings of the Association shall be held in Hernando County, Florida, or at such other place as may be permitted by law and from time to time as fixed by the Board of Directors, hereinafter referred to as the "Board", and designated in the notices of meetings.

Section 2. Notice of Annual Meetings. Annual meetings of the Members of the Association shall be held in the last quarter of each fiscal year. Notice of the meeting, which shall include an agenda, shall be hand delivered or sent by first class mail to each Member listed in the Membership book of the Association at the address shown therein, ("Member or Members of Record") at least fourteen (14) and no more than sixty (60) days prior thereto. The secretary shall obtain and retain a written receipt of delivery or the post office certificate of mailing as proof that the notice was delivered or mailed.

Section 3. Special Meetings. Special meetings of the Members, for any purpose or purposes, whether or not specifically required by these By-Laws, the Articles of Incorporation, or the Declaration may be called by the president, secretary, a majority of the Board, or by the Members having one-tenth (1/10) of the votes of the Class A Membership.

Section 4. Notice of Special Meetings. No business shall be transacted at any special meeting except as stated in the notice thereof. Notice of all special meetings shall be given by the secretary to Members of Record, or if the secretary shall fail to do so, by the president or Board, not less than thirty (30) nor more than sixty (60) days prior to the date thereof, stating the date, time, and place of the meeting and the purpose or purposes thereof. Notice deposited in the United States mail, postage prepaid within the

prescribed time or, in lieu of mailing, delivered by hand to the Members, shall suffice. The secretary shall obtain a written receipt of delivery of the post office certificate of mailing as proof that the notice was delivered or mailed.

Section 5. **Quorum.** Members present in person or represented by proxy, entitled to cast at least twenty-five percent (25%) of the votes of all Members of the Association shall constitute a quorum.

Section 6. **Action Taken at Meeting.** When a quorum is present at any meeting, a majority of the votes duly cast by the Members present at the meeting or represented by written proxy shall decide any question brought before the meeting, unless the question is one upon which by express provision of law, the Declaration, the Articles of Incorporation or these By-Laws, a different vote is required, in which case the express provision shall govern and control. If any meeting of Members cannot be organized because a quorum is not present, the meeting may be adjourned by a majority of the Members present in person, for a period no less than twenty-four (24) hours, and upon reconvening, fifteen percent (15%) of Members present in person or represented by proxy, shall constitute a quorum, and if a quorum is still not present, the meeting may be adjourned by a majority of the Members present for a period not less than twenty-four (24) hours, and upon reconvening ten percent (10%) of Members present in person or represented by proxy shall constitute a quorum.

Section 7. **Order of Business.** The order of business at all meetings shall be as prescribed in the agenda prepared by the Board and submitted to the Members with the notice of each meeting.

Section 8. **Action Without Meeting.** Any action which may be taken by the Membership pursuant to a duly called meeting may be taken without a meeting provided that; a proposal of action to be taken by the Members is mailed to every Member of the Association together with a request for approval or disapproval; and, the Members responding to the proposal ("Responding Member or Members") hold at least twenty-five percent (25%) of the votes of all Members of the Association. A proposed action may be approved by a majority of the votes attributable to the Responding Member or Members unless the proposed action is one which by express provision of law, the Declaration, the Articles of Incorporation or these By-Laws requires a different vote, in which case the express provision as it pertains to voting percentages shall govern and control.

Section 9. **Voting.** The Association has two classes of voting Membership: Class A and Class B, so long as there is Class B Membership. Class A Members are all Owners. The Class B Member shall be the Declarant. Upon termination of Class B Membership, as provided by the declaration, Class A Members are all Owners, including Declarant so long as such Declarant is an Owner. Subject to the provisions of the following paragraph all Members, Class A or Class B, are entitled to cast one vote for each Lot owned; but, as provided in the Association's Articles, the Class B Member is entitled to appoint the Association's directors until termination of Class B Membership.

If more than one person owns an interest in any Lot, all such persons are Members; but there may be only one vote cast with respect to such Lot. Such vote may be exercised as the co-owners determine

among themselves; but no split vote is permitted. Prior to any meeting at which a vote is to be taken, each co-owner must file the name of the voting co-owner with the secretary of the Association to be entitled to vote at such meeting, unless such co-owners have filed a general voting authority with the Secretary applicable to all votes until rescinded. Notwithstanding the foregoing, if title to any Lot is held in a tenancy by the entireties, either tenant is entitled to cast the vote for such Lot unless and until the Association is notified otherwise in writing.

Section 10. *Presiding Officers.* At each meeting of the Members, the president, or in his absence the vice president, shall preside and the secretary or in his absence the assistant secretary, shall be the secretary for the meeting.

ARTICLE IV Directors

Section 1. *Board of Directors.* The affairs of the Association shall be managed by a board of no more than five (5) but no less than three (3) directors. A director must be a Member except that the directors appointed by the Class B Member need not be members and may be the officers and/or employees of the Declarant.

Section 2. *Election of Directors.*

(a) Election of directors shall be held at the annual Members' meeting.

(b) The election of directors to be elected by the Class A Members shall be by ballot (unless dispensed by the unanimous vote consent of those Members eligible to vote in person or proxy) and shall be determined by a plurality of the Class A votes cast. There shall be no cumulative voting.

(c) Except as to vacancies provided by removal of directors by Members, all vacancies in the Board of Directors occurring between annual meetings of Members, including vacancies created by increasing the size of the Board, shall be filled by the vote of a majority of the remaining directors.

(d) Any directors elected by Class A Members may be removed by concurrence of two-thirds of the votes of the Class A Members at a special meeting of the members called for that purpose. The vacancy in the Board of Directors so created shall be filled by the Members of the Association at the same meeting.

(e) Notwithstanding the foregoing, the Board of Directors shall be appointed solely by the Class B Member as long as there is a Class B member; provided, however, prior to the events that cause termination of the Class B Membership, as described in the Declaration, the Declarant may voluntarily terminate its right to appoint one or more directors.

Section 3. *Term of Office.* The term of each director's service shall be one year and until his successor is duly elected and qualified or until he is removed in the manner provided elsewhere herein.

Section 4. **First Board of Directors.** In accordance with the Articles of Incorporation, the Board of Directors appointed and named in said Articles of Incorporation (and their successors appointed by the Declarant) shall serve until Class A Members are entitled to elect one or more of the directors.

Section 5. **Annual Meetings.** The annual meeting of the Board of Directors may be held at such time and place as shall be determined by the directors, except that such annual directors' meeting shall be held as soon as practicable following the annual Members meeting. If held at any time other than immediately following the annual Members meeting, there shall be three (3) days notice given by the president personally or by mail, telephone or telegraph, which notice shall state the time and place of the meeting.

Section 6. **Special Meetings.** Special meetings of the directors may be called by the president and must be called by the secretary at the written request of two-thirds of the directors. Not less than two days' notice of the meeting shall be given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting.

Section 7. **Waiver of Notice.** Any director may waive notice of a meeting before or after the meeting and such waiver shall be deemed equivalent to the giving of notice. Attendance at a meeting shall constitute a waiver of notice.

Section 8. **Quorum and Voting.** A quorum at directors meetings shall consist of a majority of the entire Board of Directors. The acts approved by a majority of directors shall constitute the acts of the Board of Directors except when approval by a greater number of directors is required by the Articles of Incorporation, these By-Laws, or the laws of the State of Florida.

Section 9. **Adjourned Meetings.** If at any meeting of the Board of Directors 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 adjourned meeting any business that might have been transacted at the meeting as originally called may be transacted without further notice.

Section 10. **Joinder in Meeting by Approval of Minutes.** The joinder of a director in the action of a meeting by signing and concurring in the minutes of that meeting shall constitute the presence of such director for the purpose of determining a quorum.

Section 11. **Presiding Officer and Secretary for Meetings.** The presiding officer of the directors' meetings shall be the chairman of the Board if such an officer has been elected; and if none, the president shall preside. In the absence of the presiding officer, the directors present shall designate one of their number to preside. The secretary of the Association shall be the secretary for meetings of the directors, unless absent, in which case the directors shall designate one of their Members to act as secretary for the meeting.

Section 12. **Compensation.** No director shall receive compensation for any service he may render to the Association as director. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties, and this provision

shall not preclude a person who is also a director to receive compensation in exchange for other services rendered to or on behalf of the Association in a capacity other than director.

Section 13. **Committees.** The Board may from time to time appoint such committees and delegate such duties and powers thereto as it may deem advisable.

Section 14. **Attendance by Telephone.** Any member or Members of the Board of Directors shall be deemed present and voting at a meeting of such Board if said Member or Members participate in the meeting by means of a conference telephone or similar communications equipment or device enabling all persons participating in the meeting to hear each other.

Section 15. **Action Without Meeting.** Any action required or permitted to be taken at any meeting may be taken without a meeting if written consent to the action signed by all the Members of the Board is filed with the minutes of the proceedings of the Board.

Section 16. **Powers.** The Board of Directors shall have the powers set forth in the Declaration and the Florida Not-For-Profit Corporation Act, including but not limited to the following:

(a) adopt and promulgate rules and regulations governing the Subdivision or contemplated by the Declaration, and to establish penalties for the infraction thereof (a rule shall be deemed promulgated when a copy thereof is furnished to each Class A Member in person or mailed to each such Member at the address on the records of the Association);

(b) suspend the voting rights and other rights of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed 60 days for infraction of promulgated rules and regulations;

(c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the Membership by other provisions of these By-Laws, the articles of Incorporation, or the Declaration, including the establishment of the assessments provided for in the declaration; and

(d) employ a manager, or such other independent contractors or employees as they deem necessary, and to prescribe their duties.

Section 17. **Duties.** It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all its acts and corporate affairs and to present an oral or written statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Class A Members who are entitled to vote;

(b) supervise all officers and employees of the Association, and to see that their duties are properly performed;

(c) as more fully provided in the Declaration, to:

(1) fix the amount of the assessment against each Lot;

(2) exercise the duties of the Board as set forth in the Declaration and enforce the restrictions and covenants contained therein, and

(3) take appropriate and timely action against Members whose assessments are in default.

(d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(e) cause all officers or employees having fiscal responsibilities to be bonded, if such bonding may be deemed appropriate;

(f) perform such other acts as may be required of a Board of Directors under the Florida Not-For-Profit Corporation Act.

ARTICLE V Officers

Section 1. **First Officers** In accordance with the Articles of Incorporation, the first officers of the Association named and appointed in such Articles of Incorporation shall serve until their qualified successors are elected by the Board of Directors.

Section 2. **Executive Officers.** The executive officers of the Association shall be a president, who shall be a director, a secretary, who shall be a director, and a treasurer, who shall be a director and other officers as shall be elected by the Board. Except as provided in Section 1 of this Article, such officers shall be elected annually by the Board of Directors. Officers need not be Lot owners and the officers and employees of the Declarant may be officers of the Association. The Board of Directors from time to time may elect such assistant or other officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association. Each officer shall serve until a qualified successor is elected by the Board. The Board by a two-thirds affirmative vote may from time to time remove an officer with or without cause and fill such vacancy so created.

Section 3. **President** The president shall be the chief executive officer of the Association. He shall have all of the powers and duties that are usually vested in the office of president of an association, including but not limited to the power to appoint committees from among the Members from time to time, as he in his discretion may determine appropriate, to assist in the conduct of the affairs of the association.

Section 4. **Secretary.** The secretary, in the absence or disability of the president, shall exercise the powers and perform the duties of the president. He also shall assist the president generally and exercise such other powers and perform such other duties as shall be prescribed by the directors.

Section 5. **Secretary.** The secretary shall keep the minutes of all proceedings of the directors and Members. He shall attend to the giving and serving of all notices to the Members and directors and others that are required by law. He shall have custody of the seal of the association and affix it to any instruments requiring a seal when duly signed. He shall keep the records of the association including the membership book, except those of the treasurer unless the secretary is also the treasurer of the Association. The secretary shall perform all other duties incident to the office of secretary of a corporation and as may be required by the Board of Directors or the president. Any assistant secretary elected shall perform the duties of the secretary when the secretary is absent.

Section 6. **Treasurer.** The treasurer shall have custody of all property of the Association including funds, securities and evidences of indebtedness. He shall keep the books of the Association in accordance with good accounting practices; and he shall perform all other duties usually incident to the office of treasurer.

Section 7. **Compensation.** No officer shall receive any compensation by reason of his office, provided, however, that nothing herein shall preclude the Board of Directors from employing an officer as an employee of the Association or preclude the contracting with an officer for management services.

ARTICLE VI Fiscal Management

Section 1. **Depositories.** All funds of the Association shall be deposited in the name of the Corporation in such bank, banks or other financial institutions as the Board of Directors may from time to time designate and shall be drawn out on checks, drafts or other orders signed on behalf of the association by such person or persons as the Board of Directors may from time to time designate.

Section 2. **Contracts, Etc.** Except as otherwise specifically provided by these By-Laws, all contracts, agreements, deeds, bonds, mortgages and other obligations and the instruments shall be signed on behalf of the Association by the president or by such other officer, officers, agent or agents as the Board of Directors may from time to time by resolution provide.

Section 3. **Budget.** The Board of Directors shall adopt a budget for each fiscal year that shall include the estimated funds required to defray the Association expenses and to provide and maintain funds for the appropriate accounts according to good accounting practices. Such budget shall be adopted prior to, and a copy shall be distributed at, the annual Members' meeting next preceding the fiscal year for which the budget shall apply.

Section 4. **Assessments.** As more fully provided in the Declaration, each Member is obligated to pay to the Association certain assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within ten (10) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of eighteen percent (18%) per annum, or such other rate as may be, from time to time established by the Board, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein.

Section 5. **General Assessment.** The Board of Directors shall adopt the General assessment as provided for in the Declaration. The initial level of the assessment until changed by action of the Board shall be \$5.00 per Lot per month.

Section 6. **Special Assessments.** As contemplated by the declaration, special assessments may be adopted by the Association, through the Board, to meet expenses which exceed the budget adopted by the board of directors.

Section 7. **Financial Report.** The treasurer of the Association shall report the financial status of the Association to the Members sixty (60) days following end of the fiscal year.

ARTICLE VII Amendments

Section 1. These By-Laws may be altered, amended, or rescinded by the affirmative vote of two-thirds (2/3) of the Board of Directors, after notice to the Members, by the majority vote of Class A Members, and the unanimous vote of the Class B Members, present at any regular or special meeting of the Membership.

Notwithstanding anything herein to the contrary, no amendment to the By-Laws shall be valid which affects any of the rights and privileges provided to the Declarant without the written consent of the Declarant as long as Declarant shall own any Lots in the subdivision.

ARTICLE VIII Miscellaneous

Section 1. The fiscal year of the Association shall be the calendar year.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the articles shall control; and in the case of any conflict between the Declaration and these ByLaws, the Declaration shall control.

PREPARED BY AND AFTER
RECORDING RETURN TO:
J. Alan Ascendorf, Esquire
Trenam, Kemker, Scharf, Barkin,
Frye, O'Neill & Mullis, P.A.
101 E. Kennedy Blvd., Suite 2700
Tampa, FL 33602

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** OFFICIAL RECORDS **
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HERNANDO COUNTY, FLORIDA

RCD Mar 09 1998 09:52am
KAREN NICOLAI, CLERK

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**THIRD AMENDMENT
TO DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS
AND EASEMENTS FOR GLENLAKES VILLAGES SECTION, PHASE I, UNIT II A**

THIS THIRD AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS FOR GLENLAKES VILLAGES SECTION, PHASE I, UNIT II A is made this 23 day of February, 1998, by Glen Lakes Partnership, Ltd., successor by conversion to The Glen Lakes Partnership ("Declarant"), 9000 Glen Lakes Blvd., Brooksville, FL 34613.

WHEREAS, Declarant has heretofore executed (i) that certain Declaration of Covenants, Conditions, Restrictions And Easements For Glen Lakes Villages Section, Phase I, Unit II A, recorded in O.R. Book 849 at page 0664 of the Public Records of Hernando County, Florida, (ii) that certain First Amendment to Declaration of Covenants, Conditions, Restrictions And Easements For Glen Lakes Villages Section, Phase I, Unit II A, recorded in O.R. Book 875 at page 0455 of the Public Records of Hernando County, and (iii) that certain Second Amendment to Declaration of Covenants, Conditions, Restrictions And Easements For Glen Lakes Villages Section, Phase I, Unit II A, recorded in O.R. Book 1103 at page 812 of the Public Records of Hernando County, (collectively, the "Declaration"); and

WHEREAS, Declarant has all requisite right and authority pursuant to Paragraph 10.02 of the Declaration to amend the Declaration as hereinafter set forth.

NOW, THEREFORE, for and in consideration of the premises, Declarant hereby amends the Declaration as follows:

1. Paragraph 4.17 of the Declaration is hereby amended to read in its entirety as follows:

4.17 Funding of Association. Upon the closing of the first sale of any Lot by Declarant to a purchaser for value, excluding any Builder, and upon each resale of any Lot, the purchasing Owner shall make a funding

contribution to the Association in an amount equal to two (2) months of the annual general assessment levied by the Master Association with respect to the Lot, at the rate in effect as of the date of closing. This payment shall not be refundable or be applied as a credit against the Owner's General Assessment or the general assessment levied by the Master Association.

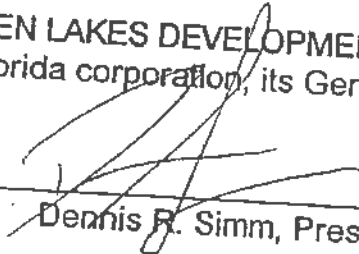
Until such time as Class B Membership in the Association is terminated pursuant to Section 2.04 of this Declaration, the funding contribution made pursuant to the foregoing provisions of this paragraph 4.17 in connection with the closing of each sale of a Lot (including any resale) shall be remitted by the Association to the Master Association, and such contribution (i) shall be used by the Master Association for its working capital needs, or (ii) may, in the sole discretion of the board of directors of the Master Association, be returned (in whole or in part) to the Association and used by the Association for its working capital needs.

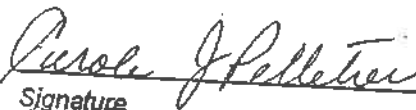
IN WITNESS WHEREOF, Declarant has caused this Amendment to be duly executed on the day and year above written.

WITNESSES:

GLEN LAKES PARTNERSHIP, LTD., a
Florida limited partnership, successor by
conversion to The Glen Lakes Partnership,
a Florida general partnership

By: GLEN LAKES DEVELOPMENTS, INC., a
Florida corporation, its General Partner

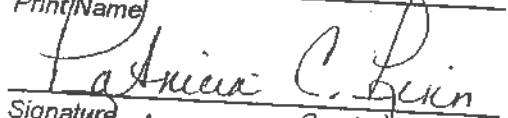
By: 
Dennis R. Simm, President



Signature

CAROL J. PELLETIER

Print Name



Signature

PATRICIA C. LINN

Print Name

COUNTRY OF CANADA)
PROVINCE OF ONTARIO)

The foregoing instrument was acknowledged before me this 23 day of February, 1998, by Dennis R. Simm, as President of GLEN LAKES DEVELOPMENTS, INC., a Florida corporation, as General Partner of GLEN LAKES PARTNERSHIP, LTD., a Florida

limited partnership, on behalf of the corporation and the partnership. He either [please check
as applicable] is personally known to me, or presented _____
as identification.

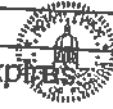
(NOTARIAL SEAL)

Kimberly Jo Edwards
Notary Public

Print Name: _____

Commission No.: _____

My Commission Expires _____



KIMBERLY JO EDWARDS
MY COMMISSION # CC397507 EXPIRES
August 6, 1998
BONDED THRU TROY FAY INSURANCE, INC.

