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AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF
STERLING HILL

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**AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF
STERLING HILL**

This is an Amended and Restated Declaration of Covenants, Conditions and Restrictions made by Devco V, L.L.C., a Florida limited liability company, hereinafter referred to as "Declarant," effective as of the 16th day of October, 2006.

WITNESSETH:

WHEREAS, Declarant previously executed a Declaration of Covenants, Conditions and Restrictions for Sterling Hill, dated May 20, 2004, and recorded in Official Records Book 1841, Page 321, Public Records of Hernando County, Florida (the "Declaration").

WHEREAS, Declarant previously executed a Supplemental Declaration of Covenants, Conditions and Restrictions, dated April 4, 2005, and recorded in Official Records Book 1999, Page 539, Public Records of Hernando County, Florida.

WHEREAS, Declarant previously executed an Amendment to the Declaration of Covenants, Conditions and Restrictions, dated January 11, 2006, and recorded in Official Records Book 2186, Page 1452, Public Records of Hernando County, Florida.

WHEREAS, pursuant to Article XI, Section 3 of the Declaration, the Declarant is given the right to amend the Declaration.

WHEREAS, this Amended and Restated Declaration of Covenants, Conditions and Restrictions, supersedes and amends the Declaration in its entirety.

WHEREAS, Declarant on the date hereof is the Owner of certain real property located in Hernando County, Florida, more particularly described on **Exhibit "A"** hereto (hereinafter, "Property"); and

WHEREAS, Declarant intends to develop the Property subject to those protective covenants, conditions, restrictions, reservations, liens and charges as hereinafter set forth in this Declaration.

NOW, THEREFORE, Declarant hereby declares that all of the Property shall be held, sold, conveyed, leased, mortgaged and otherwise dealt with subject to the easements, covenants, conditions, restrictions, reservations, liens and charges as hereinafter set forth, all of which are for the purpose of preserving certain portions of the Property in perpetuity while others are for the purpose of enhancing and protecting the value, desirability and attractiveness of the Property. Such easements, covenants, conditions, restrictions, reservations, liens and charges shall run with the Property, and shall be binding upon all parties having or acquiring any right, title or interest in any part of the Property described herein or in any part thereof, and shall inure to the benefit

of each and every person or entity, from time to time, owning or holding an interest in the Property.

ARTICLE I

DEFINITIONS

The following words and terms when used in this Declaration or any supplemental or amended declaration hereto (unless the context shall clearly indicate otherwise) shall have the following meanings:

A. "Sterling Hill" shall mean and refer to the Property as intended to be developed under the Site Development Plan, as amended from time to time.

B. "Articles" and "Bylaws" shall mean and refer to the Articles of Incorporation and the Bylaws of the Association, as they may exist from time to time.

C. "Association" shall mean and refer to The Sterling Hill Homeowner's Association.

D. "Board" or "Board of Directors" shall mean the board of directors of the Association. Members of such Board shall be referred to as "Directors."

E. "Builder" shall mean and refer to Declarant and/or those persons who shall enter into agreements with Declarant for the purchase of any part of the Property, together with the commitment to construct residences thereon.

F. "CDD" shall mean the Sterling Hill Community Development District, a community development district created pursuant to Fla. Stat. Chapter 190.

G. "County" shall mean and refer to the County of Hernando, Florida.

H. "Commercial Property" shall mean any improved or unimproved parcel of land within the Property, which is intended and designed to accommodate commercial enterprises, excluding the Community Center and any Recreational Facilities.

I. "Common Property" shall mean and refer to those parcels of land, together with any improvements thereon, which are actually dedicated or deeded to the CDD, including the Community Center and any Recreational Facilities. The term "Common Property" shall also include Conservation Areas and Recreation Areas, and any personal property acquired by the CDD if such personal property is otherwise intended to be used with realty which is Common Property.

J. "Conservation Areas" shall mean and refer to those areas dedicated by Declarant for such purposes on any Plat relating to the Property.

K. "Declarant" shall mean Devco V, L.L.C, a Florida limited liability company. Wherever the term Declarant is used in this Declaration or the Articles or Bylaws of an Association, it shall always be deemed to include its successors and assigns.

L. "Declaration" shall mean and refer to this Declaration of Covenants, Conditions and Restrictions of Sterling Hill, as amended from time to time.

M. "Design Review Board" or "DRB" shall mean and refer to the initial Design Review Board as established by Declarant, or at such time as Declarant shall have turned over review to the Association.

N. "Design Review Criteria" shall mean and refer to that document entitled "Design Criteria and Development Policy Standards," prepared by Declarant, and as amended from time to time, setting forth the development standards for all of the Property, and which are incorporated herein by reference.

O. "Institutional Lender" shall mean and refer to the owner and holder of a mortgage encumbering Residential Property, Commercial Property, Recreational Facilities or a Residential Unit, which owner and holder of said mortgage shall be a bank, savings and loan association, insurance company, a pension fund, a real estate investment trust, a mortgage banker, mortgage broker, Federal National Mortgage Association, Federal Home Loan Mortgage corporation, Federal or State agencies, or other like business entity. "Institutional Lender" shall also mean Declarant or its affiliates and Declarant's acquisition and development lender(s), its (their) nominees or assignees.

P. "Lake" or "Lakes" shall mean and refer to those man-made open bodies of water located on the Property, whether existing, constructed or to be constructed or altered by Declarant.

Q. "Lot" shall mean a separate subdivision lot as created by and shown on a Plat, or any combination of two or more lots approved by Declarant for use and construction of a Residential Unit.

R. "Maintenance" shall mean, but not be limited to, the following in connection with the Property: cleanup, landscaping and grounds care of Lots, painting and structural upkeep of improved properties, roads, sidewalks, bridges, boardwalks, bike paths and right-of-way repair, as well as services related to Lakes and stormwater facilities and such other functions as may be incidental to the services undertaken by the CDD. Maintenance, when used with respect to "Conservation Areas" as defined herein, shall mean the care and cleaning of such areas so as to keep such areas free of trash and any material not usually found in such an area not inhabited by man.

S. "Notice" shall mean delivery of any document to the person or entity to whom such notice is sent to the last known address, according to the records of the party transmitting such notice. Delivery may be by mail, U.S. Postal Service, postage prepaid, and shall include, where such notice is directed to more than ten (10) Owners, posting in a conspicuous public

place within the Property. Such posting shall constitute "Notice" notwithstanding failure to receive such notice by mail due to an erroneous address or typographical error in such address. Notice to one of two or more co-owners shall constitute notice to all Owners. Notice shall also include hand delivery, posting in a conspicuous place, and electronic delivery (including, without limitation, e-mail, cable television, and facsimile transmission) reasonably calculated to provide notice to any recipient thereof.

T. "Owner" shall mean and refer to the owner as shown by the records of Declarant or the Association, whether it be Declarant, one or more persons, firms, associations, corporations, or other legal entities, of fee simple title to any Residential Unit, Residential Property, or Commercial Property located within the Property. "Owner" shall not mean or refer to the holder of a mortgage or security deed, its successors or assigns, unless and until such holder has acquired title pursuant to foreclosure or a proceeding or deed in lieu of foreclosure; nor shall the term "Owner" mean or refer to any lessee or tenant of an Owner.

U. "Plat" or "Plats" shall mean the plat or plats subdividing Sterling Hill, as recorded from time to time in the Public Records of Hernando County, Florida.

V. "Property" shall mean and include the real property described in Exhibit "A" attached hereto and, when added in accordance with the terms and conditions hereof, shall also include such real property as is in the future subjected to this Declaration under the provisions of Article II hereof.

W. "Recreational Areas" shall mean and refer to those areas designated within the Common Area for such use by the CDD.

X. "Recreational Facilities" shall mean those areas on the Site Development Plan designated or set aside for recreational purposes, developed by Declarant or the CDD from time to time, and at the time of development are designated for use by Owners and their guests. "Recreational Facilities" shall include the "Community Center" to be developed by the CDD.

Y. "Residential Property" shall mean a Lot or Lots within Sterling Hill intended for use as a site for one or more Residential Units which has not been conveyed to an Owner intending to occupy the Residential Unit for residential purposes.

Z. "Residential Unit" shall mean and refer to any improved parcel intended for use as a single-family dwelling, including, but not limited to, any single family detached dwelling, patio home, condominium unit, garden home, townhouse unit or apartment unit located within the Property. For the purposes of this Declaration, a Residential Unit shall not be deemed to be improved until a certificate of occupancy has been issued by the appropriate governmental authorities for the dwelling or until the dwelling is determined by Declarant or the Association, in their reasonable discretion, to be substantially complete. A parcel shall thereafter be deemed to be a Residential Unit until such time as any improvements have been completely removed to the foundation level (in the event of voluntary or involuntary destruction).

AA. "Site Development Plan" shall mean and refer to the plan for the development of Sterling Hill as a planned community as prepared by Declarant (including all phases of and amendments made to that plan).

BB. "Stormwater Management System" shall mean that portion of the Property consisting of swales, inlets, culverts, lakes, outfalls, storm drains, wetlands, mitigated wetlands and the like, and all connecting pipes and easements, used in connection with the retention, drainage and control of surface water.

ARTICLE II

PROPERTY SUBJECT TO DECLARATION

Section 1. Property. The real property which shall be held, transferred, sold, conveyed, given, donated, leased or occupied subject to this Declaration is described in **Exhibit "A"** attached hereto and made a part hereof by reference. Declarant intends to develop the Property in accordance with the Site Development Plan, but hereby reserves the right to review and modify the Site Development Plan from time to time without the approval of any person including the CDD until such time as Declarant ceases to own fee simple interest in any part of the Property.

Declarant shall not be responsible or liable to any Owner for failing to follow any predetermined order of improvement and development within the Property; and it may bring within this Declaration additional lands and develop them before completing the development of the Property. Declarant shall have the full power to add to, or make changes in the Site Development Plan.

ARTICLE III

MANAGEMENT OF THE PROPERTY

Section 1. Operation of the Property. The Property shall be managed by Declarant and the CDD; provided, however, that the Recreational Facilities shall be managed as set forth in this Article. By acceptance of a deed to any portion of the Property, each grantee thereof, whether an initial purchaser of Residential Property or a Residential Unit Owner, agrees to be and abide by the terms of this Declaration, the Articles, the Bylaws and other rules and regulations of the Association established from time to time. Purchasers of Commercial Property shall also be so bound to the extent provided in this Declaration. In addition, the family, guests, invitees and tenants of Owners shall abide and be bound by the provisions of this Declaration while in Sterling Hill.

Section 2. Development of Sterling Hill. Each Owner, by acceptance of a Deed to a Lot, acknowledges that quiet enjoyment of the Lot may be interfered with to some extent by the construction operations on the balance of the Property. Each Owner waives all claims against Declarant for interference with his quiet enjoyment through development of the Property, incident to the construction operations of Declarant or of any Builder. In addition, from time to

time, Declarant has and will present to the public certain renderings, plats, plans, and models showing possible future development of the Property. Declarant does not warrant in any way the schemes in these renderings, plans, or models, or how future improvements on the Property actually will be developed. Each Owner accepts that any such renderings, plans, or models are primarily schematic and in no way represent the final development of the Property. Further, each Owner releases Declarant from any claim that such Owner might have against Declarant for the future development of the Property or any portion thereof, such as, but not limited to, such renderings, plans, or models. Each Owner accepts and agrees that Declarant will have the sole right to design, construct, develop, and improve the Property as it determines.

Section 3. Rights Concerning Lakes. Certain Residential Units may be located adjacent to Lakes or other water bodies. The Lakes and other water bodies in Sterling Hill are part of the master drainage system for the Property. Declarant reserves for itself, and grants to the CDD and its successors and assigns, the right to use the water from the Lakes and other water bodies for irrigation purposes at the Property and to vary the water level as may be necessary due to the amount of rainfall and the required attenuation of surface waters necessitated by such rainfall and the maintenance of stormwater facilities. The water-front property line of each such Lot may be located at or near the top of the bank around the Lake. However, no abutting Owner shall be deemed to acquire any right in such Lake or the waters thereof, and the usage of such Lake and control of the elevation of such waters shall be subject to regulations adopted from time to time by the CDD. **Declarant makes no warranties or representations that Lake levels will be maintained at any particular level or that the elevation of such waters will remain the same.**

Section 4. Rights Concerning Conservation Areas. The Conservation Areas identified on any Plat shall be monitored, managed, maintained by the CDD in accordance with the regulatory requirements of local, state and federal law. No owner of a Residential Unit or any part of the Property, or any tenant, guest or invitee shall use or occupy any part of the Conservation Areas or any required buffer areas adjacent to such Conservation Areas, except as expressly permitted or authorized by the CDD.

Section 5. Operation of Community Center and Recreational Facilities. The Community Center and any Recreational Facilities constructed or developed by the Declarant or the CDD shall be operated by the CDD, but such Community Center and Recreational Facilities and their operation shall otherwise be subject to the restrictions and terms of this Declaration unless prohibited by law.

Declarant or the CDD shall have the right, but not the obligation, to provide future Recreational Facilities. If future facilities are not constructed, the sites designated by Declarant for such purposes shall be managed, maintained, and operated by the CDD. If any Recreational Facilities shall be constructed, they shall be governed by the provisions hereof.

The right to use the Community Center and the Recreational Facilities shall be governed by such terms and conditions as may be promulgated from time to time by the CDD. The CDD shall have the right, from time to time, in its sole and absolute discretion and without notice, to amend or waive the terms and conditions of use of the Community Center and the

Recreational Facilities, specifically including, without limitation, the terms and conditions of use, the number of users permitted to use the Community Center and any Recreational Facilities at any one time, or to reserve use rights for future Residential Unit Owners.

Ownership of a Residential Unit or Residential Property does not confer any ownership or ownership rights in the Community Center and any Recreational Facilities. Persons in the future who are permitted to use the Community Center and any Recreational Facilities, as they may exist from time to time, shall not acquire a vested right to continue to use such facilities, so long as any discontinuance is uniformly applied to all Owners.

The CDD and its successors in title shall have the following powers in addition to those granted or imposed by its charter or the State of Florida:

A. to maintain in a good condition the Community Center and any Recreational Facilities it operates;

B. to protect the Conservation Areas along the perimeter or adjacent to the Community Center and any Recreational Facilities, if any.

The CDD and its successors shall have the absolute right to discontinue the operation of the Community Center and any Recreational Facilities, or to sell or otherwise dispose of the real and personal property of the Community Center and any Recreational Facilities, or any portion thereof, in any manner whatsoever, and to any person or entity; provided, however, such person or entity must comply with the provisions of this Declaration.

Section 6. Rights to Stormwater Runoff and Water Conservation and Reclamation Programs. Declarant hereby reserves for itself, and grants to the CDD and its successors and assigns, all rights to ground water, surface water, and stormwater runoff within the Property, and each Owner agrees, by acceptance of a deed to a Residential Unit or Commercial Property, that the CDD shall retain all such rights. No person other than the CDD shall claim, capture, or collect rain water, ground water, surface water, or stormwater runoff within the Property without prior written permission of the CDD. The CDD may establish programs for reclamation of stormwater runoff and wastewater for appropriate uses within or without the Property, and may require Owners and occupants of the Property to participate in such programs to the extent reasonably practicable. No Owner or occupant of any portion of the Property shall have any right to be compensated for the water claimed or reclaimed from such Owner's property.

Section 7. Statement Concerning Water Conservation. In construing and applying the provisions of this Declaration, the Declarant intends that all Owners and other parties subject to the terms hereof will endeavor to use "waterwise" landscaping and irrigation practices in order to conserve water as a natural resource.

Section 4. Board of Directors. Upon turnover of control, the members shall elect a Board of Directors of at least three (3) members, all of whom shall be Residential Unit Owners. Such Board of Directors shall elect the officers. The members of the Board of Directors and officers shall take office upon election. Notwithstanding any provision of the Articles or Bylaws of the Association to the contrary, the Residential Unit Owners, by a majority vote of all voting interests of the Association at any meeting of such Residential Unit Owners at which a quorum is present, or by an agreement in writing by a majority of all voting interests of the Association, may remove any member of the Board of Directors with or without cause. The notice of a meeting of the Residential Unit Owners to remove a member or members of the Board of Directors shall state the specific directors sought to be removed.

Section 5. Bylaws. The bylaws of the Association shall provide for:

A. the number of members of the Board of Directors and the titles of the officers of the Association;

B. election by the Board of Directors of a president, treasurer, secretary and any other officers of the Association specified by the bylaws;

C. the qualifications, powers and duties, terms of office and manner of electing and removing Board of Directors members and officers and filling vacancies;

D. which, if any, of its powers the Board of Directors or officers may delegate to other persons or to a managing agent;

E. which of its officers may prepare, execute, certify and record amendments to the Declaration on behalf of the Association; and

F. the method of amending the Bylaws.

Subject to the provisions of the Declaration and the Articles, the Bylaws may provide for any other matters the Association deems necessary and appropriate.

Section 6. Maintenance Responsibility. Each Residential Unit Owner is responsible for maintenance, repair and replacement of his Residential Unit, unless provided otherwise or approved by Declarant.

Section 7. Design Review Criteria. No Design Review Criteria adopted by Declarant shall be modified, amended, altered, or abridged without Declarant's written consent so long as Declarant owns any part of the Property.

Section 8. Mortgage and Pledge. The Board of Directors shall have the power and authority to pledge the revenues of the Association as security for loans made to the Association, which loans shall be used by the Association in performing its functions.

Section 9. Approval of Association Documents. Declarant shall have the right of specific approval or veto of all legal documents associated with the Association, including, but not limited to, amendments to the Articles, Bylaws, and, if any, Declarations of Condominium.

Section 10. Delegation. The Association may, through its Board of Directors, assign to any entity its duties, powers and obligations hereunder, except those which may require a vote of the membership of the Association.

Section 11. Appurtenant Easements. Declarant grants to all Owners, their guests, lessees and invitees, as an appurtenance to the ownership of fee title interest to certain defined real property within the Property, and subject to this Declaration and the rules promulgated by the CDD, as owner of any Common Property, a perpetual nonexclusive easement for ingress and egress over, across and through all Common Property, such use and enjoyment to be shared in common with the other Owners, their guests, lessees and invitees as well as the guests, lessees and invitees of Declarant, subject always to the terms of this Declaration.

Section 12. Utility Easement. Declarant reserves to itself, its successors and assigns, a perpetual easement upon, over, under and across the Property for the purpose of maintaining, installing repairing, altering and operating sewer lines, water lines, force mains, lift stations, water mains, sewer mains, water distribution systems, sewage disposal systems, effluent disposal systems, pipes, wires, siphons, valves, gates, pipelines, telephone, fiberoptic and cable television service, electronic security systems and all machinery and apparatus appurtenant to all of the foregoing as may be necessary or desirable for the installation and maintenance of utilities and services servicing all owners and servicing all Common Property. All such easements shall be of a size, width and location as Declarant, in its discretion, deems best, but selected in a location so as to not unreasonably interfere with the use of any improvements which are now, or will be, located upon the Property.

Section 13. Declarant Easement. Declarant hereby reserves to itself, its successors and assigns, and to such other persons as Declarant may from time to time designate, a perpetual easement, privilege and right in and to, over, under, on and across the Common Property for ingress and egress as required by its officers, directors, employees, agents, independent contractors, invitees and designees; provided, however, that such access and use do not unnecessarily interfere with the reasonable use and enjoyment of these properties and facilities by the Owners.

Section 14. Extent of Easements. The rights and easements of enjoyment created hereby shall be subject to the following:

A. The right of Declarant or the CDD, as the case may be, to borrow money from any lender for the purpose of improving and/or maintaining the Common Property and providing services authorized herein and, in aid thereof, to mortgage said properties;

B. The right of the Association to suspend the rights and easements of enjoyment of any Owner or any tenant of any Owner for any period during which any assessment remains unpaid, and for any period, as long as the infraction exists, for any infraction of its published

ARTICLE IV

FUNCTIONS OF THE CDD

Section 1. Services. In addition to the powers provided under its charter or state law, the CDD may provide the following services:

A. Maintenance of all Common Property and all county, district or municipal properties to the extent permitted by any governmental authority which are located within or in a reasonable proximity to the Property to the extent that their deterioration would adversely affect the Common Property. The CDD may adopt standards of maintenance and operation provided by this and other subsections within this Section 1.

B. Maintenance of any real property located within the Property upon which the CDD has accepted an easement for such maintenance by duly recording an instrument granting such easement to the CDD executed and delivered by the owner of such property to the CDD.

C. Maintenance of Lakes owned by the CDD within the Property, if and to the extent permitted by any governmental authority having jurisdiction thereof. Maintenance as used in this Subsection shall include, but not be limited to, the preservation of any Lakes as bodies of water to be used for such water activities as may be determined and allowed from time to time by the CDD.

D. The CDD's Maintenance of the Common Property shall specifically include, but shall not be limited to, the Conservation Areas, the stormwater management system (and side drains or underdrains) associated therewith, and other facilities permitted therein.

E. Insect, pest and aquatic control to the extent that it is necessary or desirable in the judgment of the CDD to supplement the service provided by the state and local governments.

F. Taking any and all actions necessary to enforce all covenants, conditions and restrictions affecting the Common Property and performing any of the functions or services delegated to the CDD in any covenants, conditions or restrictions applicable to the Common Property.

G. Purchasing general liability and hazard insurance covering improvements and activities on the Common Property on a current replacement cost basis in an amount not less than one hundred per cent (100%) of the insurable value, and directors' and officers' liability and other insurance as the Board of Supervisors deems necessary.

H. Publishing and enforcing such rules and regulations as the Board of Supervisors deems necessary with respect to the Common Property.

I. Conducting recreation, sport, craft and cultural programs of interest to Owners, their families, tenants and guests and charging admission fees for the operation thereof.

J. Constructing improvements on Common Property and easements as may be required to provide the services as authorized in this Article.

K. Maintenance of all Conservation Areas.

Section 2. Conveyance by CDD. The CDD shall be empowered to delegate or convey any of its functions or properties to any governmental unit for public utilities or for other public purposes, or to any private entity so long as the use is consistent with the intended use of such property. Any such delegation or conveyance to any governmental unit shall be only upon the approval and acceptance thereof.

ARTICLE V

THE ASSOCIATION

Section 1. Membership. The Association shall be organized no later than the date title to the first Residential Unit is conveyed by the Declarant or a Builder. The membership of the Association at all times shall consist of Declarant and any Builder owning a Lot or Lots until such time as control of the Association has been turned over to the Residential Unit Owners. Every person or entity who is an Owner of a fee (or undivided fee) interest in any Residential Unit shall be a member of the Association; provided, however, that any Owner who holds such interest merely as security for performance of an obligation shall not be a member. Membership in the Association shall be compulsory and shall continue as to each Owner until such time as such Owner transfers or conveys of record his interest in the Residential Unit upon which his membership is based, or until his interest is transferred or conveyed by operation of law, at which time the membership shall automatically be conferred upon the transferee. Membership shall be appurtenant to, run with, and shall not be separated from the ownership interest upon which such membership is based.

A. Subject to the provisions of this Declaration, the Association may:

1. adopt and amend Bylaws and Rules and Regulations;
2. adopt and amend budgets for revenues, expenditures and reserves and collect assessments from Residential Unit owners for its functions hereunder and under its Articles, Bylaws and Rules and Regulations;
3. hire and discharge managing agents and other employees, agents and independent contractors;
4. institute, defend or intervene in litigation or administrative proceedings in its own name on behalf of itself or two or more Residential Unit Owners;
5. make contracts and incur liabilities;

6. impose and receive any payments, fees or charges for services provided to Residential Unit Owners;
7. impose charges for late payment of assessments and, after notice and an opportunity to be heard, levy reasonable fines for violations of this Declaration, the Design Review Criteria, or the Articles, Bylaws and Rules and Regulations of the Association;
8. impose reasonable charges for the preparation and recordation of statements of unpaid assessments;
9. provide for the indemnification of its officers and maintain directors' and officers' liability insurance;
10. assign its right to future income, but only to the extent the Declaration, Articles and Bylaws expressly so provides;
11. exercise any other powers conferred by the Declaration, the Articles or Bylaws;
12. exercise all other powers that may be exercised in this State by similar legal entities; and
13. exercise any other powers necessary and proper for the governance and operation of the Association.

B. Except as provided in this Declaration or the Articles or Bylaws, the Board of Directors may act in all instances on behalf of the Association. In the performance of their duties, officers and members of the Board of Directors are required to exercise ordinary and reasonable care.

Section 2. Budget. Within thirty (30) days after adoption of any proposed budget for the Association, the Board of Directors shall provide a summary of the budget to all Owners. The budget (and the budget summary) shall reflect the estimated revenues and expenses for that year and the estimated surplus or deficit as of the end of the current year. The Board of Directors shall set a date for a meeting of its members to consider ratification of the budget not less than fourteen (14) or more than thirty (30) days after mailing of the summary. Unless at that meeting a majority of all such members reject the budget, the budget shall be deemed ratified, whether or not a quorum is present. In the event the proposed budget is rejected, the periodic budget last ratified by such members shall be continued until such time as the members ratify a subsequent budget proposed by the Board of Directors.

Section 3. Turnover of Control. The Articles and Bylaws may provide for a period of Declarant and Builder control of the Association, during which period Declarant, one or more Builders, or persons designated by them, may appoint and remove the officers and members of the Board of Directors.

rules and regulation, it being understood that any suspension for either nonpayment of any assessment or breach of any rules and regulations of the Association shall not constitute a waiver or discharge of the Owner's obligation to pay the assessment. With respect to suspensions for infractions of the published rules and regulations of the Association, the following restrictions shall apply: (A) suspension may not be imposed without notice of at least 14 days to the person sought to be suspended and an opportunity for a hearing before a committee (the "Violations Committee") of at least three members appointed by the Board of Directors who are not officers, directors, or employees of the Association (or the spouse, parent, child, brother or sister of an officer, director or employee); and (B) if the Violations Committee, by majority vote, does not approve a proposed fine or suspension, it may not be imposed.

C. The right of the CDD to give, dedicate or sell all or any part of the Common Property (including leasehold interest therein) to any public agency, authority or utility or private concern for such purposes and subject to such conditions as may be determined by the CDD.

Section 15. Platted Easements. Easements for drainage and for installation and maintenance of utilities are reserved as shown on the Plat or Plats of the Property. Within these easements, no structure, planting, or other material shall be placed or permitted to remain which may impede the flow of water through drainage channels in the easements. It is important that the banks, swales, and berms constituting a part of any Lake, and any swales and drainage canals located within the Property, remain undisturbed and properly maintained in order to perform their functions. The easement area on each Lot or Residential Unit and all improvements within it shall be maintained continuously by its Owner, except for those improvements for which a public authority or utilities company is responsible. No one shall take any action which would impede the use of the easement in the manner intended. Within the areas encompassed by platted drainage easements, there shall be no structures, fences, trees, or objects which impair or block, permanent or temporarily, the ability of the CDD to have free and unencumbered access to drainage facilities or platted Conservation Areas abutting the easements, so that the CDD will have regular periodic access to such facilities in the areas and sufficient area in which to conduct maintenance activities. The CDD shall have access to all drainage and platted Conservation Areas for purposes of operation and maintenance thereof, and shall not be held liable for any damage to or removal of any Owner's sod or other plantings caused by such operation and maintenance activities.

Section 16. Lake Access and Maintenance. Declarant reserves for itself, and grants to the CDD and its successors and assigns, easements for drainage and for Lake access and maintenance as shown on the Plat or Plats of the Property to provide for drainage of Sterling Hill and access to any abutting Lakes or canals for maintenance thereof. Notwithstanding the foregoing, the Owners of Residential Units abutting a Lake shall be solely responsible for mowing and maintaining the area from the rear of the Owner's Lot to the bank of the Lake. The platted lake maintenance easements shall remain free of obstructions at all times. Declarant also grants to the CDD, its successors and assigns, the full unrestricted right of access upon any Lot as shown on the Plats of the Property to the extent required for access to and maintenance of the Lakes within the Property, and for any temporary overflow of Lake waters.

Section 17. Easements for Cross-Drainage. Every Lot, Residential Unit, the Commercial Property, and the Common Property shall be burdened with easements for natural drainage of stormwater runoff from other portions of the Property as shown on the master drainage plan included as part of the Site Development Plan. No Owner or other person shall alter the drainage on any Lot or Residential Unit so as to materially increase the drainage of stormwater onto adjacent property unless such person has obtained the consent of the Owner of the affected property and of all applicable governmental authorities (to the extent such consent is required by those authorities), and the drainage must be consistent with the master drainage plan included in the Site Development Plan.

Section 18. Right of Entry. In addition to the easements described in this Article, Declarant, the CDD, and the Association are hereby granted a right of entry onto each Lot or Residential Unit (but not inside a dwelling thereon), whether improved or unimproved, for any purpose reasonably related to the performance of any duty imposed, or the exercise of any right granted by, this Declaration. Such right of entry shall be exercised in a peaceful and reasonable manner at reasonable times and upon reasonable notice whenever circumstances permit. Entry into any dwelling shall not be made without the consent of the Owner or occupant thereof for any purpose, except pursuant to court order or other authority granted by law. The foregoing right of entry may be exercised by the agents, employees, and contractors of Declarant, the CDD, and the Association.

Section 19. Benefits. All easements reserved for the benefit of Declarant in this Article shall also be for the benefit of the CDD. Such easements are intended to supplement, not replace, the easements shown on the Plats of the Property, and shall be construed as complementary to any such platted easements.

ARTICLE VI

ASSOCIATION ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligations of Assessments. In addition to taxes, levies or assessments of the CDD, Declarant covenants, and each Owner of any Residential Unit, Residential Property, Recreational Facilities or Commercial Property shall by acceptance of a deed therefor, regardless of whether it shall be so expressed in any such deed or other conveyance, be deemed to covenant and agree to all the terms and provisions of this Declaration and to pay the Association: (1) annual assessments, (2) special assessments and (3) individual assessments, all fixed, established and collected from time to time as hereinafter provided. The annual, special and individual assessments together with such interest thereon and costs of collection therefor shall be a charge and continuing lien as provided herein on the real property and improvements thereon of the Owner against whom each such assessment is made. Each such assessment, together with such interest thereon and cost of collection, shall also be the personal obligation of the person who was the owner of such real property at the time when the assessment first became due and payable. The liability for assessments may not be avoided by waiver of the use or enjoyment of any Common Property or by the abandonment of the property against which the assessment was made. In the case of co-ownership of Residential Unit or

Residential Property, all of such co-owners shall be jointly and severally liable for the entire amount of the assessment.

Section 2. Purpose of Annual Assessments. The annual assessments levied by the Association shall be used exclusively to provide services which the Association is authorized or required to provide including, but not limited to, payment of the costs to acquire management and supervision necessary to carry out its authorized or required functions.

Section 3. Special Assessments. In addition to the annual assessments authorized by Section 2 hereof, the Board of Directors of the Association may levy in any assessment year a special assessment for the purpose of defraying, in whole or in part, the costs of any unexpected expense, provided that any such assessment in excess of Two Hundred Dollars (\$200.00) per year in the aggregate shall have the assent of a majority of the votes of such Association's members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all members at least thirty (30) days in advance and shall set forth the purpose of the meeting. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirement and the required quorum at any such subsequent meeting shall be seventy per cent (70%) of the required quorum at the preceding meeting, provided that no such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 4. Individual Assessments. The Association may impose an individual assessment upon any Owner whose use or treatment of his Residential Unit or Residential Property is not in conformance with the standards as adopted by the DRB. The amount of such assessment shall be equal to such cost incurred and may be enforced in the manner provided for any other assessment.

Section 5. Date of Commencement of Annual Assessments; Due Dates. The annual assessments provided for herein shall commence on the date set by the Board of Directors. The frequency of payment shall be fixed by the Board.

Declarant may be excused from the payment of assessments for any property owned by it during such period of time that it shall obligate itself to pay any amount or expenses of the Association incurred during that period not produced by the assessments receivable from the other Owners.

The first annual assessment of the Association shall be based upon an estimate of the operating expenses for the year, plus an adequate reserve for anticipated expenses. In the event this assessment proves insufficient to satisfy such expenses, the Board of Directors may levy a supplementary assessment in the amount of the deficit.

The due date of any special assessment under Section 3 hereof shall be fixed in the resolution authorizing such assessment.

Written notice of the assessment shall thereupon be sent to every Owner subject thereto.

Section 6. Duties of the Board of Directors. The Board of Directors shall prepare a roster of Owners and assessments applicable thereto which shall be kept by the Secretary of the Association, and a copy thereof shall be made available to any Owner upon reasonable request (but not more frequently than once every twelve (12) months).

The Association shall, upon reasonable request, furnish to any Owner liable for such assessment a certificate in writing signed by an officer of the Association, setting forth whether such assessment has been paid. Such certificate shall be prima facie evidence of payment of any assessment therein stated to have been paid.

Section 7. Determination of Annual Assessments. The Board of Directors shall determine the total annual assessment for the Property in accordance with the procedures set forth in its Articles and Bylaws. Failure of the Board of Directors of the Association to fix assessment amounts or rates shall not be deemed a waiver, modification, or a release of any Owner from the obligation to pay assessments. In such event, each Owner shall continue to pay annual assessments on the same basis as for the last year for which an assessment was made, if any, until a new assessment is made, at which time the Association may retroactively assess any shortfalls in collections.

Section 8. Effect of Nonpayment of Assessment; The Personal Obligation of the Owner; The Lien; Remedies. If the assessments are not paid on the date due (being the dates specified and fixed by the Board of Directors) then such assessment shall become delinquent and shall, together with interest thereon and cost of collection thereof as hereinafter provided, thereupon become a continuing lien on the property which shall bind such property in the hands of the then Owner, his heirs, devisees, personal representatives and assigns. The obligation of the Owner to pay such assessment, however, shall remain his personal obligation. The Association may record a notice of lien for delinquent assessments in the public records and foreclose the lien in the same manner as a mortgage. The lien shall not be valid against subsequent bona fide purchasers or mortgagees for value of a Residential Unit, Residential Property or Commercial Property unless so recorded. Upon recording, the lien shall secure the amount of delinquency stated therein and all unpaid assessments thereafter until satisfied of record.

If the assessment is not paid within thirty (30) days after the delinquency date, the assessment shall bear interest from the date of delinquency at the maximum rate allowed by law, 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 there shall be added to the amount of such assessment the costs of preparing and filing the complaint in such action. In the event a judgment is obtained, such judgment shall include interest on the assessment as above-provided and a reasonable attorneys' fee to be fixed by the court together with the costs of the action.

Section 9. Subordination of the Lien to Mortgagees' Rights. The lien of the assessments provided for herein is unequivocally subordinate to the lien of any first mortgage to an Institutional Lender ("institutional first mortgagee") or purchase money mortgage now or hereafter placed upon a Residential Unit, Residential Property or Commercial Property subject to

assessment prior to the recording in the public records of a notice stating the amount of or unpaid assessment attributable to such Residential Unit, Residential Property or Commercial Property; provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to a sale or transfer of such property pursuant to a decree of foreclosure, or any other proceeding in lieu of foreclosure, including a sale or transfer of such property pursuant to a deed in lieu of foreclosure. Such sale or transfer shall not relieve such property from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessment. An institutional or purchase money first mortgagee, upon written request, shall be entitled to written notification from the Association of any default of an Owner of any obligation hereunder which is not cured within sixty (60) days.

Section 10. Exempt Property. The following property subject to this Declaration shall be exempted from the assessments, charge and lien created herein: (a) all properties to the extent of any easement or other interest therein dedicated or deeded and accepted by a public authority and devoted to public use, including the CDD; (b) all Common Property and any improvements thereon; and (c) any property not designated as Residential Property, Residential Unit, Recreational Facilities or Commercial Property.

Section 11. Collection of Assessments. Assessments allocated to any Residential Unit, Residential Property, Commercial Property or Recreational Facilities shall be collected by the Association.

Section 12. Costs of Collection. The Association shall be entitled to its costs of collection and attorneys' fees from any Owner against whom an assessment must be enforced.

Section 13. No Diminution or Abatement. No diminution or abatement of assessments or set-off shall be claimed or allowed for any alleged failure of the Association or Board of Directors thereof to take some action or perform some function required of it, or for convenience or discomfort arising from any other action.

Section 14. Assessments by CDD. Every Owner is subject to such assessments as may be levied by the CDD. Assessments of the CDD are in addition to, and not in lieu of, assessments of the Association.

ARTICLE VII

USE OF PROPERTY

Section 1. Protective Covenants. In order to preserve the property as a desirable place to live for all Owners, the following protective covenants are made a part of this Declaration.

A. Limitations. Nothing shall be erected, constructed, planted or otherwise placed on a Lot or Residential Unit in such a position (subsequent to the initial construction of improvements on the Property by Declarant) so as to create a hazard upon or block the vision of motorists upon any of the streets or roads. No improvement or modification or alteration of an

improvement shall interfere with those easements or other rights which are set forth in this Declaration.

B. Building Restrictions. All building construction on the Property shall comply with the provisions of the Design Review Criteria. No improvement or modification shall interfere with those easements or other rights set forth in this Declaration. Only one dwelling may be constructed on any Lot or Residential Unit. The minimum square footage of each dwelling in each Block depicted on the Plats shall be the square footage set forth in **Exhibit "B"** hereto, including only air conditioned living space, with each dwelling containing an attached two-car or larger garage of the same architectural style as the air conditioned portion of the dwelling, unless otherwise approved by the DRB. Any dwelling constructed on a Lot or Residential Unit shall be in accord with the front yard, side yard, and rear yard set back requirements contained in the Design Review Criteria. No structural or non-structural alterations shall be permitted without written permission of the DRB in accordance with this Declaration. All driveways and sidewalks constructed on a Residential Unit shall be constructed, reconstructed, or repaired with the materials and in the manner in which they were originally constructed, and no colors, coatings, pavers, epoxies, or similar treatments shall be permitted without DRB approval.

C. Service Yards. All garbage receptacles, fuel tanks, air conditioning and pool equipment and materials, supplies and other equipment which are placed or stored outside must be placed or stored in such a way to conceal them from view from roads and adjacent properties. Any such visual barrier shall be subject to DRB approval, in accordance with the Design Review Criteria. Solar hot water heating equipment constructed or used in connection with a Residential Unit shall not be visible from any road or adjacent property within Sterling Hill and shall comply with the Design Review Criteria.

D. Residential Use. Each Residential Unit may be improved for use for residential purposes, and only dwellings approved in accordance with Article VIII may be constructed thereon. No trade, business, or profession of any kind may be conducted on any Residential Unit, except for the business of Declarant and its transferees in developing the Property, and except that an Owner or occupant residing on a Residential Unit may conduct business activities within such Unit so long as: (i) the existence or operation of the activity is not apparent or detectable by site, sound, or smell from outside the dwelling; (ii) the activity conforms to all zoning requirements for the Residential Unit; (iii) the activity does not involve regular visitation by clients, customers, suppliers, or other business invitees, or door-to-door solicitation of residents of Sterling Hill; and (iv) the activity is consistent with the residential character of the Property and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other residents of the Property, as may be determined in the sole discretion of the Board of Directors of the Association.

E. Nuisances. No nuisance shall be permitted to exist or operate on any part of the Property.

F. Unlawful or Offensive Use. No immoral, improper, offensive or unlawful use shall be made of the Property or any part thereof. All applicable laws, zoning ordinances, orders,

rules, regulations or requirements of any governmental agency having jurisdiction thereof, relating to any portion of the Property, shall be complied with, by and at the sole expense of the Owner or the Association, whichever shall have the obligation to maintain or repair such portion of the Property. No waste will be committed in Common Property.

G. Insurance. Nothing shall be done or kept on any part of the Property which will increase the rate of insurance for the Association or the CDD. No Owner shall permit anything to be done or kept in or on a Residential Unit which will result in the cancellation of insurance on Common Property, or which would be in violation of any law.

H. Access. The CDD and the Association, or their agents and employees, may at any time enter upon and access Common Areas to maintain, inspect, repair or replace improvements within the Common Area which are their respective responsibilities, or in case of emergency for any purpose, or to determine compliance with this Declaration.

I. Pets. An Owner may not keep, raise, or breed any animals, livestock, or poultry in or on any the Property, except that customary household pets such as cats, dogs, pet birds, and fish may be kept subject to the provisions herein. Only two dogs shall be kept in a Residential Unit. The following shall apply with regard to any pet which is allowed to be kept in or on the Property:

1. Owners of a cat or dog shall be required to keep the same on a leash at all times unless kept in an enclosed area.

2. Owners of a cat or dog shall be required to remove immediately all forms of excrement of such pets from the Property, including, but not limited to, lawns, walks, driveways, and parking areas. Such pets shall not be allowed to deposit excrement in any manner, or in any place, that would in any manner change or deface the Property, including any alteration in the uniformity of appearance of the lawn or landscaped areas.

3. No pet will be allowed which creates excessive noise, emits obnoxious odors, creates unsafe or unhealthy living conditions, or other disturbances of any kind, whether on a continuous or intermittent basis, and regardless of the time of day or night. Any Owner of a pet allowed hereunder who is the subject of three justifiable complaints of violations hereunder shall permanently remove the pet from the Owner's property upon notice of such complaints from the Association. Such Owner shall not be allowed to have any pets within the Property at any time thereafter, except upon the express written consent of the Board of Directors of the Association.

4. Nothing herein shall be deemed to prohibit the use and ownership of a dog trained to assist a disabled person.

J. Signs. Except as may be required by legal proceedings, no sign, advertisement or notice of any type or nature whatsoever may be erected or displayed upon any Residential Unit, yard, or Common Property, or from any window or tree, unless express prior written approval of the size, shape, content and location has been obtained from the DRB, which approval may be

withheld in its discretion. If after demand and reasonable notice to an Owner, such Owner has not removed an unapproved sign, Declarant or the Association may, through a representative, enter the Owner's premises and remove such sign without liability therefor. Declarant hereby grants a license to the Association for such purpose. Notwithstanding the foregoing, Declarant shall be permitted to post and display advertising signs on the Property and Declarant and the CDD may erect reasonable and appropriate signs on any portion of the Common Property.

K. Campers, Etc. No campers or vans over fourteen feet (14') in length, go-carts or trucks in excess of three quarter (3/4) ton shall be allowed on the Common Property or anywhere within the Property except as approved by Declarant or by the Board of Directors of the Association in its discretion, and except as follows: such vehicles shall be permitted within the Property if (1) parked entirely out of sight or (2) if parked only temporarily within the Property, i.e., not overnight. Declarant or Board of Directors of the Association may make reasonable rules concerning the use of mopeds and motorcycles on the Property.

L. Visibility at Street Intersections. No obstruction to visibility at street intersections shall be permitted. The DRB shall have the right to adopt additional restrictions concerning the height and type of trees and shrubs in Common Areas and along all streets and road rights-of-way.

M. Garbage and Trash Containers. All garbage and trash containers must be placed and maintained in accordance with the standards adopted by the DRB. No garbage or trash shall be placed anywhere except as aforesaid and no portion of the Property shall be used for dumping refuse.

N. Antennas, Other Devices. No exterior radio or television antenna, satellite dish or other receiver, transmitting device or any similar exterior structure or apparatus may be erected or maintained except pursuant to standards adopted by the DRB.

O. Air Conditioners. Air conditioning units shall be shielded and hidden so that they are not readily visible from the Common Property or adjacent parcels. No window or through-wall air conditioning units shall be installed in any Residential Unit except as approved by the DRB.

P. Temporary Structures. No structure of a temporary character, trailer, tent, shack, barn, shed or other outbuilding shall be permitted at any time, other than:

1. Cabanas appurtenant to a swimming pool, detached garages and gazebos as approved by the DRB.
2. Temporary structures during the period of actual construction as approved by the DRB; and
3. Tents or other temporary structures for use during social functions.

Q. Water Supply and Sewerage. No septic tanks shall be permitted within the Property. No wells shall be installed without the express written consent of the DRB and all other applicable government agencies.

R. Fuel Storage Tanks. No fuel or gas storage tanks shall be permitted without DRB approval.

S. Garages. Garage doors shall be kept closed except when automobiles are entering or leaving the garage. All vehicles shall be kept inside garages, except that vehicles may be parked on the driveway, but only if the Owner's garage or garages are fully occupied with the Owner's vehicles.

T. Soliciting. No soliciting will be allowed at any time within the Property.

U. Maintenance. The portions of the Residential Property visible from other Residential Units, the roads or from any Recreational Areas and Recreational Facilities shall be properly maintained and kept in an orderly condition so as not to detract from the neat appearance of the Property. Declarant or the Board of Directors of the Association, in their sole discretion, may determine whether or not such visible portions are orderly. Declarant or the Association may have any objectionable items removed so as to restore its orderly appearance, without liability therefor, and charge the Owner for any costs incurred in the process, all as more particularly set forth in Article IX hereof.

V. Trees. No trees greater than three inches (3") in diameter at breast height shall be cut or removed without approval of the DRB.

W. Mailboxes. Builders or Residential Unit owners shall provide, install and maintain all mailboxes and standards, brackets and name signs for such boxes at the Owner's expense in such location and in a uniform size, color and design as determined by the DRB. A sketch showing the standard mailbox design and specifications for all mailboxes at Sterling Hill is attached hereto as **Exhibit "C"**.

X. Watercraft. No watercraft powered by internal combustion engines may be used on any Lake or body of water on the Property without the prior approval of Declarant or the CDD. No Owner may store or park a boat, other watercraft and/or boat trailer within his parcel, except within a fully-enclosed garage or in some other place where it is not visible from any road or adjacent property within Sterling Hill. In all other instances, boats and boat trailers shall not be stored or parked within the Property or any portion thereof. Docks, davits, ramps, outbuildings, or any structure designed for the use of a boat or watercraft near or in any Lake or other body of water are expressly prohibited.

Y. Fences and Walls. Chain link fences are prohibited on any Residential Property. No other fences or walls shall be erected prior to receiving a required Hernando County permit and approval from the DRB. See fence guidelines attached hereto as **Exhibit "D."**

Z. Motor Vehicles, Trailers, Etc. Each Owner shall provide for parking of automobiles off streets and roads within the Property prior to occupancy of the Owner's Residential Unit. Subject to the terms of this Section, there shall be no outside storage or parking within any parcel or within any portion of the Common Property (other than areas provided therefor within the Common Property, if any) of any mobile home, trailer (either with or without wheels), motor home, tractor, truck, commercial vehicles of any type, camper, motorized camper or trailer, motorized go-cart or any other related forms of transportation devices. No Owners or other occupants of any portion of the Property shall repair or restore any vehicle of any kind upon or within a Neighborhood or within any portion of the Common Property, except for emergency repairs and then only to the extent necessary to enable the movement thereof to a proper repair facility. Vehicles shall be parked only within Residential Units on paved surfaces or designated areas and shall not block sidewalks or bike paths. Parking by Owners within street rights-of-way is prohibited and the Association is authorized to tow vehicles parked in violation hereof. Overnight parking in street rights-of-way by any person is prohibited. No gravel, blacktop, or paved parking strip shall be installed or maintained by any Owner adjacent to or along the street.

AA. Declarant's Sales and Construction Activities. Notwithstanding any provisions or restrictions contained in this Declaration to the contrary, it shall be expressly permissible for Declarant and its agents, employees, successors and assigns to maintain and carry on such facilities and activities as may be reasonably required, convenient or incidental to the completion, improvement and sale or the developing of parcels, including, without limitation, the installation and operation of sales and construction offices, signs and model dwellings. The location of any construction offices by Declarant or Builders selected by Declarant shall be subject to Declarant's control. The right to maintain and carry on such facilities and activities shall include specifically the right to use Residential Units as model residences, and to use gatehouses or any Residential Unit as an office for the sale of Residential Units on the Property and for related activities.

BB. Delivery and Construction Hours. No construction activities, other than work to be performed on the inside of a Residential Unit which is enclosed, nor delivery of construction materials shall be permitted between the hours of 7 p.m. and 7 a.m. of the following day.

CC. Outside Lighting. Except as may be installed initially by Declarant, no spotlights, flood lights, or similar high intensity lighting shall be placed or utilized upon any Residential Unit which in any way will allow light to be reflected on any other Residential Unit or the improvements thereon or upon any Common Property or any part thereof, without the written authorization of the CDD or the Board of Directors of the Association. Other types of low intensity lighting which do not disturb the Owners or other occupants of the Property shall be allowed.

DD. Window Treatments. Window treatments for Residential Units shall be compatible with the exterior design and color of the dwelling in which they are installed.

EE. Recreation Equipment. No basketball courts or basketball standards or backboards (whether permanent or moveable) shall be installed, placed or affixed to any structure on Residential Property. No above-ground swimming pools shall be installed or placed on Residential Property. All play sets, playground equipment and other outdoor recreational equipment must be approved by the DRB prior to installation.

FF. Leasing. No Owner shall lease less than the entire Residential Unit which he owns or lease such Residential Unit for a period of less than three (3) months or more than twice in any calendar year.

GG. Owner's Insurance. By virtue of taking title to a Residential Unit, each Owner covenants and agrees to carry blanket "all-risk" property insurance on his property and structures thereon, providing for replacement cost coverage (less a reasonable deductible). Each Owner further covenants and agrees that in the event of damage to or destruction of structures on or comprising his Residential Unit, he shall proceed to repair or to reconstruct such structures within twelve (12) months after such damage or destruction, in a manner consistent with the original construction or such other plans and specifications as are approved in accordance with Article VIII of this Declaration. Alternatively, the Owner shall clear the property of all debris and ruins and maintain the property in a neat and attractive, landscaped condition. The Owner shall pay any costs which are not covered by insurance proceeds.

HH. Subdivision. No Residential Unit shall be further subdivided except upon express written consent of Declarant so long as Declarant owns any part of the Property, and thereafter, with the consent of the Board of Directors of the Association, and in accordance with subdivision regulations of Hernando County, as applicable.

II. General Restrictions on Common Property. No owner shall obstruct any part of the Common Property, nor shall any Owner keep or store anything on the Common Property. No person other than Declarant or the CDD, or their appointed agents, may alter, construct upon, or remove anything from the Common Property. All uses and activities upon or about the Common Property are subject to the rules and regulations of Declarant and the CDD.

JJ. Protection of Environmentally Sensitive Lands. No owner of property within the subdivision may construct or maintain any building, residence, or structure, or undertake or perform any activity in the wetlands, wetland mitigation area(s), buffer area(s), upland conservation area(s) and drainage easement(s) described in the approved permit and recorded plat of the subdivision, unless prior approval is received from the Southwest Florida Water Management District Brooksville Regulation Department. The Association has the authority to enforce the provisions of this subsection JJ.

KK. Compliance with Surface Water Management System. Each property owner within the subdivision at the time of construction of a building, residence, or structure shall comply with the construction plans for the surface water management system approved and on file with the Southwest Florida Water Management District (SWFWMD). The Association has the authority to enforce the provisions of this subsection KK.

LL. Special Condition for Side and Rear Lot Line Drainage. The Association and all lot owners shall comply with all governmental regulations including, but not limited to, those of the Southwest Florida Water Management District. No owner of property within the subdivision may construct or maintain any building, residence, or structure, or undertake or perform any activity in the stormwater management system and drainage easement(s) described in the approved permit and recorded plat of the subdivision, unless prior approval is received from the Southwest Florida Water Management District Brooksville Regulation Department. Each property owner within the subdivision at the time of construction of a building, residence, or structure shall comply with the construction plans for the surface water management system approved and on file with the Southwest Florida Water Management District. All lot owners shall be responsible for maintaining designed flow paths for side and rear drainage as shown in the permitted plans. If the constructed flow path is disturbed or modified, the Association has the authority to enter the property and reconstruct the intended flow pattern and assess the property owner with the expense. The Association has the authority to enforce the provisions of this subsection LL.

ARTICLE VIII

DESIGN CRITERIA AND REVIEW

Section 1. Purpose. To preserve the natural beauty, to protect sensitive portions and to assure that construction of improvements upon the Property shall be in harmony with the natural aesthetics of the site, the Property are hereby made subject to the following restrictive covenants in this Article and every Owner agrees to be bound and comply with the provisions contained in this Article.

Section 2. Design Review Board. There is hereby created a Design Review Board (the "DRB") whose duties, powers and responsibilities shall be as hereinafter set forth:

A. Initial DRB. Declarant shall establish the initial DRB, which shall be constituted of not less than two (2) persons. At such time as Declarant shall cease to own fee simple interest in any part of the Property, or earlier at Declarant's option, Declarant shall turn over the control of Design Review Board to the Association.

B. Construction Subject to Design Review. No construction, modification, alteration or other improvement of any nature whatsoever, except interior alterations not affecting the external structure or appearance, shall be undertaken on any Residential Unit or parcel of land unless and until the plans of such construction or alteration shall have been approved in writing by the DRB. Modifications subject to such approval specifically include, but are not limited to the following: painting or other alteration of a dwelling (including doors, windows and roof); installation of solar panels or other energy-generating devices; construction of fountains, swimming pools, whirlpools, or other pools; construction of privacy walls or other fences; addition of awnings, shutters, gates, flower boxes, shelves, statues or other outdoor ornamentation; installation of patterned or brightly colored internal window treatment; any alteration of the landscaping or topography of the parcel, including without limitation the cutting

or removal of trees in excess of three inches (3") in diameter at breast height; planting or removal of plants; the creation of any pond or swale or similar features of the landscape. This Article shall not apply to the Property owned by Declarant while it is being developed by Declarant in accordance with an approved site plan.

C. Design Review Procedures.

1. Declarant has established Design Review Criteria for all construction, other improvements and landscaping to which this Article applies and uniform procedures for the review of applications submitted to it. These criteria and procedures shall be published in the Design Review Criteria. These standards may be modified from time to time, provided such modifications are not inconsistent with this Declaration, the ordinances of the County of Hernando or other instrument of record among the public records of Hernando County, Florida.

2. The plans to be submitted to the DRB for approval for any dwelling or other improvement shall conform to the Design Review Criteria and shall include:

(a) three reproducible copies of the construction and site plans and specifications, including all proposed landscaping;

(b) an elevation or rendering of all proposed improvements;

(c) a survey showing the following:

(i) the locations of all trees in excess of three inches (3") in diameter at breast height; and

(ii) such other information or samples as the DRB may reasonably require.

One copy of the plans shall be retained in the records of the DRB and one shall be returned to the Owner marked "approved" or "disapproved." The third copy shall be used by the DRB.

D. The DRB shall have the right to refuse to approve any plans and specifications which are not suitable or desirable, in its sole discretion, for aesthetic or any other reasons. In approving or disapproving such plans and applications, the DRB shall consider the suitability of the proposed building, improvements, structure or landscaping and materials of which the same are to be built, the site upon which it is proposed to be erected, energy conservation features, the harmony thereof with the surrounding area and the effect thereof on adjacent or neighboring property, in accordance with the provisions of this Declaration and the Design Review Criteria. All decisions of the DRB shall be provided to Declarant or to the Board of Directors of the Association (as applicable), and evidence thereof may, but need not, be made by a certificate in recordable form, executed under seal by Declarant or (as applicable) the

President or any Vice President of the Association. Any party aggrieved by a decision of a DRB shall have the right to make a written request to Declarant or to the Board of Directors of the Association within thirty (30) days of such decision, for a review thereof. The determination of Declarant or such Board upon reviewing any such decision shall in all events be dispositive. The DRB in accepting or reviewing any plans shall not have or undertake any responsibility or liability for the quality of design or construction and shall only concern itself with those matters set forth in this Article.

E. If any structure, paving, landscaping or other improvement requiring approval pursuant to this Article is changed, modified or altered without prior approval of the DRB of such change, modification or alteration and the plans and specifications therefor, if any, then the Owner shall upon demand cause the improvement or structure to be restored to comply with the plans and specifications originally approved by the DRB, and shall bear all costs and expenses of such restoration, including costs and expenses of such restoration, including costs and reasonable attorneys' fees of the DRB.

F. Unless specifically excepted by the DRB, all improvements for which approval of the DRB is required under this Declaration shall be completed within a reasonable time from the date of commencement of said improvements or within the time set by the DRB in the event that the approval is so conditioned.

G. The DRB shall in all cases have the right to determine and designate building set back lines necessary to conform to the general plan of the land where those lines are not set in the graphics of the Design Review Criteria, in order to preserve the integrity of the Property and the Site Development Plan. In this respect, the DRB's judgment and determination shall be final and binding.

H. In the event the DRB shall fail to approve or disapprove the plans and specifications submitted in final and complete form within forty-five (45) days after written request for approval or disapproval together with all necessary supporting plans, specifications or information is delivered to the DRB by the Owner or the Owner's agent or attorney, then such approval of the DRB shall not be required; provided, however, that no building or other structure shall be erected or shall be allowed to remain which violates any of the covenants, conditions or restrictions contained in this Declaration, or which violates any zoning or building ordinance or regulation.

I. There is specifically reserved unto the DRB, the right of entry and inspection upon any Residential Unit, Residential Property or Commercial Property for the purpose of determination by the DRB whether there exists any construction of any improvement which violates the terms of any approval by the DRB or the terms of this Declaration or of any other covenants, conditions and restrictions to which its deed or other instrument of conveyance makes reference. The DRB is specifically empowered to enforce the provisions of this Declaration by any legal or equitable remedy, and in the event it becomes necessary to resort to litigation to determine the propriety of any constructed improvement, or to remove any unapproved improvements, the prevailing party shall be entitled to recovery of all court costs, expenses and reasonable attorneys' fees in connection therewith. The Association shall

indemnify and hold harmless the DRB and its members from all costs, expenses and liabilities including attorneys' fees incurred by any member's service as a member of the DRB.

J. Declarant may delegate any or all of its powers under this Article to the DRB.

K. The DRB may adopt such further rules and regulations as it deems necessary to carry out its functions and purposes hereunder provided all such rules and regulations shall be filed with and made a part of the Association's minutes.

L. The DRB may impose reasonable fees and charges to the homeowner to enable it to carry out its functions.

ARTICLE IX

ENFORCEMENT OF RULES AND REGULATIONS

Section 1. Compliance by Owners. Every Owner, or tenant, guest or invitee of an Owner, shall comply with the restrictions and covenants set forth herein and any and all rules and regulations adopted by Declarant, the CDD or the Association.

Section 2. Enforcement. Failure of an Owner, or tenant, guest or invitee of an Owner, to comply with such restrictions, covenants or rules and regulations shall be grounds for action which may include, without limitation, an action to recover sums due for damages, injunctive relief, or any combination thereof, including costs and attorneys' fees incurred in bringing such actions, and if necessary, costs and attorneys' fees for appellate review. If the Association employs an attorney to enforce the provisions of the governing documents against any Owner, or tenant, guest or invitee of an owner, regardless of whether suit is brought, the costs and expenses of such enforcement, including reasonable attorneys' fees and costs, may be assessed against such Owner's Lot as provided in Article VI and the Association shall have a continuing lien against the Owner's Lot until such expenses, fees and costs, together with interest thereon, are paid in full. The Association may enforce the lien in the manner set forth in Article VI and will be entitled to prevailing party attorney fees and costs associated with collection. In addition to the enforcement power set forth above, Declarant, the CDD or the Association through its Board of Directors may take emergency action to enforce its rules and regulations where such action is necessary to protect the health and welfare of the Residential Unit Owners or people elsewhere in the Property. The Association, through action of its Board of Directors, may find that there exists any emergency relating to the appearance or condition of any portion of the Property and issue a notice requiring the affected persons to attend a hearing on short notice (but no shorter than 48 hours) concerning the condition, unless it shall be remedied sooner than that time. If such remedy shall not have occurred at the time of a hearing then the Board may take such enforcement action as it deems necessary to abate or remedy the condition. The Board and its agents shall have the power and right to enter onto any portion of the Property to take such action without liability for trespass.

Section 3. Fines. In addition to all other remedies, in the sole discretion of the Board of Directors of the Association, a reasonable fine or fines, up to one hundred dollars (\$100) per day up to a maximum of one thousand dollars (\$1,000) per violation may be imposed upon an Owner for failure of an owner, his family guests, invitees, tenants or employees to comply with any covenant, restriction, rule or regulation, contained herein, or in the Articles or Bylaws of the Association, or promulgated pursuant to this Declaration, provided the following procedures are adhered to:

A. Notice. The Association shall notify the Owner of the infraction or infractions at least fourteen (14) days prior to a hearing before the Violations Committee (as defined in Article V of this Declaration). Included in the notice shall be the date and time of the Violations Committee meeting at which time the Owner shall present reasons why penalty(ies) should not be imposed.

B. Hearing. The noncompliance shall be presented to the Violations Committee after which the Violations Committee shall hear reasons why penalties should not be imposed. If the Violations Committee, by majority vote, does not approve a proposed fine or suspension, it may not be imposed. A written decision of the Violations Committee shall be submitted to the Owner by not later than twenty-one (21) days after the Board's meeting.

C. Appeal. Any person aggrieved by the decision of the Violations Committee as to noncompliance may, upon written request to the Board filed within seven (7) days of the Violations Committee's decision, file an appeal. The Board will hear the grievance of the homeowner, or their legal representative, at the next regular Board meeting. The decision of the Board to uphold or deny the Violations Committee findings will be binding. The homeowner will be notified within seven (7) days of the Board's decision.

D. Payment of Penalties. Fines shall be paid not later than thirty (30) days after notice of the imposition or assessment of the penalties.

E. Collection of Fines. Fines shall be treated as an assessment otherwise due to the Association.

F. Application of Penalties. All monies received from fines shall be allocated as directed by the Board of Directors of the Association.

G. Nonexclusive Remedy. These fines shall not be construed to be exclusive, and shall exist in addition to all other rights and remedies to which the Association may be otherwise legally entitled; however, any penalty paid by the offending Owner shall be deducted from or offset against any damages that the Association may otherwise be entitled to recover by law from such Owner.

ARTICLE X

COVENANTS FOR MAINTENANCE; SECURITY

Section 1. Maintenance by Owner. Each Residential Unit Owner shall keep their property and all improvements therein or thereon, in good order and repair, including but not limited to, the seeding, watering, and mowing of all lawns, the pruning, and cutting of all trees and shrubbery, replacement of dead, diseased or destroyed landscaping materials with plant material of equal quality and size, and the painting (or other appropriate external care) of all buildings and other improvements and external appurtenances, all in a manner and with such frequency as is consistent with good property management. Each Residential Unit Owner's responsibility for maintaining the landscaping on the Residential Unit shall also include any landscaped area within a right-of-way which is adjacent to and contiguous with the Owner's Residential Unit. Declarant and the Association has the power, but not the obligation, to adopt minimum maintenance standards in connection with each Residential Unit and the improvements located thereon. Such standards shall be in addition to those obligations of the Owners as stated in this Article and may be amended from time to time by the Declarant or the Association. Any minimum maintenance standards established pursuant to this Article need not be recorded. If any Owner fails to perform the duties in this Section, Declarant or the Association shall have the right (but not the obligation), through its agents and employees, to enter upon the Residential Unit in question and to repair, maintain, repaint and restore the Residential Unit to good order and repair all without liability or responsibility for trespass or injury to property in the course of performing the acts set forth in this Article; provided, however, Declarant or the Association (as the case may be) shall first have given the Owner seventy-two (72) hours notice of the failure to comply with this section and the Owner shall have failed to cure such non-compliance. The cost of such restoration shall be assessed and be a binding, personal obligation of the Owner, as well as a lien (enforceable in the same manner as any other assessment provided for herein) upon the Residential Unit or parcel in question. Any such lien shall be subordinate to the lien of mortgages in the same manner set forth in Article VI, Section 9.

Section 2. Lake Area Maintenance. Certain Residential Units are located adjacent to Lakes or other water bodies. Each Owner of such a Residential Unit shall have the responsibility of sodding, irrigating, mowing and maintaining the abutting land area located between the Lake-front lot line of his Residential Unit and the littoral zones of the Lake. Each Owner of such a Residential Unit shall not remove native vegetation (including cattails) that becomes established within the wet detention ponds abutting their property. Removal includes dredging, the application of herbicide, cutting, and the introduction of grass carp. Lot owners shall address any questions regarding authorized activities within the wet detention ponds to SWFWMD, Brooksville Service Office, Surface Water Regulation Manager.

Section 3. Notices and Disclaimers as to Water Bodies. Neither Declarant, the CDD, nor the Association, nor any of their officers, directors, committee members, employees, management agents, contractors, or subcontractors (collectively, the "Listed Parties") shall be liable or responsible for maintaining or assuring the water quality or level in any Lake, pond, canal, creek, stream, or other water body within the Property, except as such responsibility may be specifically imposed by, or contracted with, an applicable governmental or quasi-

governmental agency or authority. Further, all Owners and users of any portion of the Property located adjacent to or having a view of any of the aforesaid water bodies shall be deemed, by virtue of their acceptance of the deed to or use of such portion of the Property, to have agreed to hold harmless the Listed Parties for any and all changes in the quality and level of the water in such bodies. Neither Declarant nor the Listed Parties make any warranty or representation that Lake levels will be maintained at any particular level or that the elevation of such waters will remain the same. All persons are hereby notified that, from time to time, alligators and other wildlife may inhabit or enter into water bodies within the Property and may pose a threat to persons, pets, and property, but that the Listed Parties are under no duty to protect against, and do not in any manner warrant against, any death, injury, or damage caused by such wildlife.

Section 4. Security. Declarant, the CDD, and the Association may, but shall not be obligated to, maintain or support certain activities within the Property designed to make them safer than they otherwise might be. Neither Declarant, the CDD, nor the Association shall in any way be considered insurers or guarantors of security within the Property, nor shall any of them be held liable for any loss or damage by reason of failure to provide adequate security or of any effectiveness of security measures undertaken. No representation or warranty is made that any fire protection system, burglar system, or other security system cannot be compromised or circumvented, nor that any such systems or security measures undertaken will in all cases prevent loss or provide detection or protection for which the system is designed or intended. Each Owner acknowledges, understands, and covenants to inform the occupants of its Residential Unit or the tenants of its Commercial Property, as the case may be, that Declarant, the CDD, and the Association are not insurers and that each person using the Property assumes all risks for loss or damage to persons, property, dwelling, and to the contents of dwellings, Residential Units, and Commercial Property resulting from the acts of third parties.

ARTICLE XI

GENERAL PROVISIONS

Section 1. Duration. The covenants, conditions and restrictions of this Declaration shall run with and bind the Property and shall inure to the benefit of and be enforceable by Declarant, the CDD (as applicable), the Association, any Owner, and their respective legal representatives, heirs, successors and assigns, for a period of thirty (30) years from the date this Declaration is recorded. Upon the expiration of said thirty (30) year period this Declaration shall be automatically renewed and extended for successive ten (10) year periods. The number of ten (10) year renewal periods hereunder shall be unlimited with this Declaration being automatically renewed and extended upon the expiration of each ten (10) year renewal period for an additional ten (10) year period; provided, however, that there shall be no renewal or extension of this Declaration if during the last year of the initial thirty (30) year period, or during the last year of any subsequent ten (10) year renewal period, three-fourths (3/4) of the votes cast at a duly held meeting of the Owners at which fifty percent (50%) of the Owners are present, in person or by proxy, vote in favor of terminating this Declaration at the end of its then-current term. It shall be required that written notice of any meeting at which such proposal to terminate this Declaration is to be considered, setting forth the fact that such a proposal will be considered, shall be given at least forty-five (45) days in advance of such meeting. An approved form of proxy shall

accompany such notice. In the event that the Owners vote to terminate this Declaration, the President and Secretary of the Association shall execute a single certificate which shall set forth the resolution of termination adopted by the Owners, the date of the meeting at which such resolution was adopted, the date that notice of such meeting was given, the total number of votes of Owners, the total number of votes required to constitute a quorum at a meeting of the Owners, the number of votes necessary to adopt a resolution terminating this Declaration, the total number of votes cast in favor of such resolution and the total number of votes cast against such resolution. Said certificate shall be recorded in the Public Records of Hernando County, Florida and may be relied upon for the correctness of the facts contained therein as they relate to the termination of this Declaration.

Section 2. Amendments. This Declaration may be amended at any time provided that three-fourths (3/4) of the votes cast by the Owners present, in person or by proxy, at a duly called and held meeting of the Owners vote in favor of the proposed amendment. Notice shall be given at least forty-five (45) days prior to the date of the meeting at which such proposed amendment is to be considered. An approved form of proxy shall accompany such notice. If any proposed amendment to this Declaration is approved by the Owners as set forth above, the President and Secretary of the Association shall execute an Amendment to this Declaration which shall set forth the amendment, the effective date of the amendment which in no event shall be less than sixty (60) days after the date of recording the amendment, the date of the meeting of the Owners at which such amendment was adopted, the date that notice of such meeting was given, the total number of votes of Owners, the total number of votes required to constitute a quorum at a meeting of the Owners, the number of votes necessary to adopt the amendment, the total number of votes cast for the amendment, and the total number of votes cast against the amendment. Such amendment shall be recorded in the Public Records of Hernando County, Florida. Any amendment which would affect the Surface Water Management System, including the water management portions of the Common Areas, must have prior approval of the Southwest Florida Water Management District. Any amendment that would impair or prejudice the rights and priorities of any Institutional Lender shall not be effective without the prior written consent of such Institutional Lender.

Section 3. Amendments by Declarant. So long as Declarant owns fee title to any part of the Property, Declarant specifically reserves for itself, its successors and assigns, the right to alter, amend, modify, change, revoke, rescind or cancel any or all of the restrictive covenants contained in this Declaration or hereinafter included in any subsequent Declaration without the consent of any other Owners.

Section 4. Enforcement. Enforcement of these covenants, conditions and restrictions shall be by any proceeding at law or in equity and may be instituted by Declarant, its successors and assigns, the Association, or any Owner, against any person or persons violating or attempting to violate or circumvent any covenant, condition or restriction, either to restrain violation or to recover damages and against the land and to enforce any lien created by these covenants; and failure by the Association or any Owner or Declarant to enforce any covenant, condition or restriction herein for any period of time shall in no event be deemed a waiver or estoppel of the right to enforce same thereafter.

Section 5. Attorneys' Fees. The costs and reasonable attorneys' fees (including those resulting from any appellate proceedings) incurred by Declarant, the CDD, or the Association in any action (including Court, arbitration, or mediation) against an Owner, or as the result of any enforcement activities taken by the Association, whether or not suit, arbitration or mediation is initiated, to enforce any provisions of this Declaration shall be a personal obligation of such Owner which shall be paid by such Owner, and any amount which remains due and unpaid shall be a continuing lien upon the real property and improvements thereon of such Owner collectable in the manner provided in Article IX hereof.

Section 6. Severability. Should any covenant, condition or restriction herein contained, or any Article, Section, Subsection, sentence, clause, phrase or term of this Declaration be declared to be void, invalid, illegal or unenforceable for any reason by the adjudication of any court or other tribunal having jurisdiction over the parties hereto and the subject matter hereof, such judgment shall in no way affect the other provisions hereof which are hereby declared to be severable and which shall remain in full force and effect.

Section 7. Interpretation. Declarant, so long as it owns fee title to any of the Property, shall have the right, except as limited by any other provisions of this document, to determine all questions arising in connection with this Declaration and to construe and interpret its provisions and its good faith, determination, construction or interpretation shall be final and binding. In all cases, the provisions of this Declaration shall be given that interpretation or construction that will best tend toward the consummation of the general plan of improvements.

Section 8. Covenants Running with the Land. Notwithstanding anything to the contrary in this Declaration, and without limiting the generality (and subject to the limitations) of other applicable sections hereof, it is the intention of all parties affected hereby (and their respective heirs, personal representatives, successors, and assigns) that these covenants and restrictions shall run with the land and with title to the Property. Without limiting the generality of any other section hereof, if any provision or application of this Declaration would prevent this Declaration from running with the land as aforesaid, such provision and/or application shall be judicially modified, if at all possible, to come as close as possible to the intent of such provision or application, and then be enforced in such a manner which will allow these covenants and restrictions to so run with the land. If such provision and/or application cannot be so modified, such provision and/or application shall be unenforceable and considered null and void in order that the paramount goal of the parties affected hereby (that these covenants and restrictions run with the land as aforesaid) be achieved.

Section 9. Execution of Documents. The development plan for the development of the Property may require from time to time the execution of certain documents required by the County or other governmental and regulatory agencies. To the extent that said documents require the joinder of Owners, Declarant by its duly authorized officers may, as the agent or the attorney-in-fact for the Owners, execute, acknowledge and deliver such documents and the Owners, by virtue of their acceptance of deeds, irrevocably nominate, constitute and appoint Declarant, through its duly authorized officers, as their proper and legal attorneys-in-fact for such purpose. Said appointment is coupled with an interest and is therefore irrevocable. Any

such documents executed pursuant to this Section shall recite that it is made pursuant to this Section.

Section 10. Prohibited Actions. Notwithstanding anything contained herein to the contrary, the Association will not perform any act or undertake any activity which will violate its nonprofit or tax exempt status under applicable state or federal law.

Section 11. No Other Declarations. No person shall record any declaration of covenants, conditions, and restrictions, declaration of condominium, or similar instrument affecting any portion of the Property without Declarant's review and written consent. Any attempted recordation without such consent shall result in such instrument being void and of no force and effect unless subsequently approved by recorded consent signed by Declarant.

Section 12. Singular, Plural and Gender. Whenever the context so permits, the use of the singular shall include the plural and the plural shall include the singular, and the use of any gender shall be deemed to include all genders.

IN WITNESS WHEREOF, Declarant has executed this Declaration as of the 16th day of October, 2006.

Signed, sealed and delivered
in the presence of:

Leslie J. Wells
Print Name: Leslie J. Wells
Amanda C. Hudson
Print Name: Amanda C. Hudson

Devco V, L.L.C.
a Florida limited liability
company

By: Mark A. Siford
Name: MARK A. SIFORD
Title: Vice President

STATE OF FLORIDA
COUNTY OF Hillsborough

The foregoing instrument was acknowledged before me this 16th day of October, 2006, by Mark A. Siford, as Vice President of Devco V, L.L.C., a Florida limited liability company, on behalf of the company. He is personally known to me or has produced _____ as identification.

 Teri Leigh Gartenmayer
Commission # DD293440
Expires February 23, 2008
Bonded Troy Fain - Insurance, Inc. 800-385-7019

Teri Leigh Gartenmayer
Notary Public
Print Name: Teri Leigh Gartenmayer
Serial No. DD 293440
My Commission Expires: 2-23-08

EXHIBIT "A"

STERLING HILL, PHASE 2A, as per map or plat thereof recorded in Plat Book 35,
Pages 26 through 32, of the Public Records of Hernando County, Florida

AND

STERLING HILL, PHASE 2B, as per map or plat thereof recorded in Plat Book 35,
Pages 33 through 44, of the Public Records of Hernando County, Florida.

STERLING HILL PHASE "1A"
 (PLAT) OFFICIAL RECORDS
 BK: 1841 PG: 371

DESCRIPTION: A parcel of land lying in Sections 9 and 10, Township 23 South, Range 18 East, Hernando County, Florida, and being more particularly described as follows:

Commence at the Southwest corner of the Northeast 1/4 of said Section 9, run thence along the South boundary of said Northeast 1/4 of Section 9, S.89°30'20"E., 80.10 feet to the **POINT OF BEGINNING**; thence N.09°50'18"E., 306.03 feet; thence N.23°43'52"E., 586.33 feet; thence N.12°20'09"E., 581.58 feet; thence N.00°22'39"E., 160.39 feet to a point on the Southerly right-of-way line of ELGIN BOULEVARD, according to the plat of VILLAGE VAN GOGH, as recorded in Plat Book 24, Pages 6 and 7, of the Public Records of Hernando County, Florida; thence along said Southerly right-of-way line, the following two (2) courses: 1) S.89°40'20"E., 748.62 feet to a point on a curve; 2) Easterly, 270.91 feet along the arc of a curve to the right having a radius of 695.00 feet and a central angle of 22°20'01" (chord bearing S.78°28'49"E., 269.19 feet) to the Southeast corner of said VILLAGE VAN GOGH; thence along the Westerly right-of-way line of ELGIN BOULEVARD, as recorded in Official Record Book 897, Page 1954, Public Records of Hernando County, Florida, the following two (2) courses: 1) continue Southeasterly, 449.36 feet along the arc of said curve to the right having the same radius of 695.00 feet and a central angle of 37°02'44" (chord bearing S.48°47'26"E., 441.58 feet); 2) S.30°14'49"E., 1745.38 feet; thence S.59°45'11"W., 926.71 feet; thence S.30°14'49"E., 260.23 feet; thence S.59°45'11"W., 320.00 feet; thence S.64°31'00"W., 60.21 feet; thence S.59°45'11"W., 180.00 feet; thence S.30°14'49"E., 120.00 feet; thence S.59°45'11"W., 237.58 feet to a point of curvature; thence Southwesterly, 195.08 feet along the arc of a curve to the right having a radius of 1470.00 feet and a central angle of 07°36'13" (chord bearing S.63°33'17"W., 194.93 feet) to a point of compound curvature; thence Westerly, 32.87 feet along the arc of a curve to the right having a radius of 100.00 feet and a central angle of 18°50'01" (chord bearing S.76°46'24"W., 32.72 feet) to a point of reverse curvature; thence Westerly, 25.90 feet along the arc of a curve to the left having a radius of 100.00 feet and a central angle of 14°50'14" (chord bearing S.78°46'18"W., 25.82 feet) to a point of tangency; thence S.71°21'11"W., 50.00 feet to a point of curvature; thence Northwesterly, 39.27 feet along the arc of a curve to the right having a radius of 25.00 feet and a central angle of 90°00'00" (chord bearing N.63°38'49"W., 35.36 feet); thence S.71°21'11"W., 120.00 feet; thence N.18°38'49"W., 96.27 feet; thence S.71°21'11"W., 249.66 feet; thence S.88°42'00"W., 78.68 feet; thence N.89°38'49"W., 653.83 feet to a point on the West boundary

of the Southeast 1/4 of the aforesaid Section 9; thence along said
1132.54 feet; thence N.09°50'18"E., 481.54 feet to the POINT OF
BEGINNING.

Containing 138.542 acres, more or less.

DV5-HC-006

P:\STERHILL\LEGAL\STERHILLWEST-P

WFS

October 22, 2003

WFS

(Revised) May 10, 2004

OFFICIAL RECORDS
BK: 1841 PG: 372

STERLING HILL PHASE "1B"

(PLAT)

OFFICIAL RECORDS
BK: 1841 PG: 373

DESCRIPTION: A parcel of land lying in Sections 9 and 10, Township 23 South, Range 18 East, Hernando County, Florida and being more particularly described as follows:

Commence at the Northwest corner of said Section 10 for a **POINT OF BEGINNING**, run thence along the North boundary of said Section 10, S.89°40'07"E., 633.34 feet; thence S.00°06'36"W., 779.86 feet; thence S.04°02'01"W., 91.97 feet; thence S.05°38'23"W., 411.53 feet to a point on a curve; thence Westerly, 366.90 feet along the arc of a curve to the left having a radius of 760.00 feet and a central angle of 27°39'38" (chord bearing S.81°48'34"W., 363.35 feet); thence S.22°01'15"E., 120.00 feet to a point on a curve; thence Easterly, 824.06 feet along the arc of said curve to the right having a radius of 640.00 feet and a central angle of 73°46'26" (chord bearing S.75°08'02"E., 768.30 feet) to a point of tangency; thence S.38°14'49"E., 873.19 feet to a point of curvature; thence Southerly, 479.65 feet along the arc of a curve to the right having a radius of 440.00 feet and a central angle of 62°27'30" (chord bearing S.07°01'04"E., 456.25 feet) to a point of tangency; thence S.24°12'41"W., 762.33 feet to a point of curvature; thence Southwesterly, 272.94 feet along the arc of a curve to the right having a radius of 440.00 feet and a central angle of 35°32'30" (chord bearing S.41°58'56"W., 268.59 feet) to a point of tangency; thence S.59°45'11"W., 372.28 feet to a point of curvature; thence Westerly, 78.54 feet along the arc of a curve to the right having a radius of 50.00 feet and a central angle of 90°00'00" (chord bearing N.75°14'49"W., 70.71 feet) to a point of tangency on the Easterly right-of-way line of ELGIN BOULEVARD, as recorded in Official Record Book 897, Page 1954, of the Public Records of Hernando County, Florida; thence along said Easterly right-of-way line of ELGIN BOULEVARD, the following two (2) courses: 1) N.30°14'49"W., 2889.92 feet to a point of curvature; 2) Northwesterly, 520.73 feet along the arc of a curve to the left having a radius of 805.00 feet and a central angle of 37°03'47" (chord bearing N.48°46'43"W., 511.70 feet) to the Southeasterly corner of Lot 1, Block 6, according to the plat of VILLAGE VAN GOGH, as recorded in Plat Book 24, Pages 6 and 7, of the Public Records of Hernando County, Florida; thence along the Easterly boundary of said VILLAGE VAN GOGH, the following four (4) courses: 1) N.22°44'15"E., 225.74 feet to a point on a curve; 2) Southeasterly, 21.38 feet along the arc of a curve to the right having a radius of 1030.74 feet and a central angle of 01°11'18" (chord bearing S.66°10'00"E., 21.38 feet); 3) N.23°53'47"E., 234.94 feet; 4) N.00°12'31"W., 430.97 feet to the Northeast corner of LAUREN DRIVE, as shown on said plat of VILLAGE VAN GOGH; thence along the North right-of-way line of said LAUREN DRIVE,

N.89°38'02"W., 120.68 feet to the Southeast corner of Lot 1, Block
said Lot 1, Block 4, N.00°21'58"E., 170.03 feet to the Northeast
corner of said Lot 1, Block 4, said point also being on the North
boundary of the aforesaid Section 9; thence along said North
boundary of Section 9, S.89°37'13"E., 1032.90 feet to the **POINT OF
BEGINNING.**

Containing 123.134 acres, more or less.

DV5-HC-006

P:\STERHILL\LEGAL\STERHILLEAST-P

WFS

WFS

October 20, 2003

(Revised) May 11, 2004

EXHIBIT "B"

To Declaration of Covenants, Conditions and Restrictions of Sterling Hill

The minimum square footage requirements for dwellings in Sterling Hill are as follows:

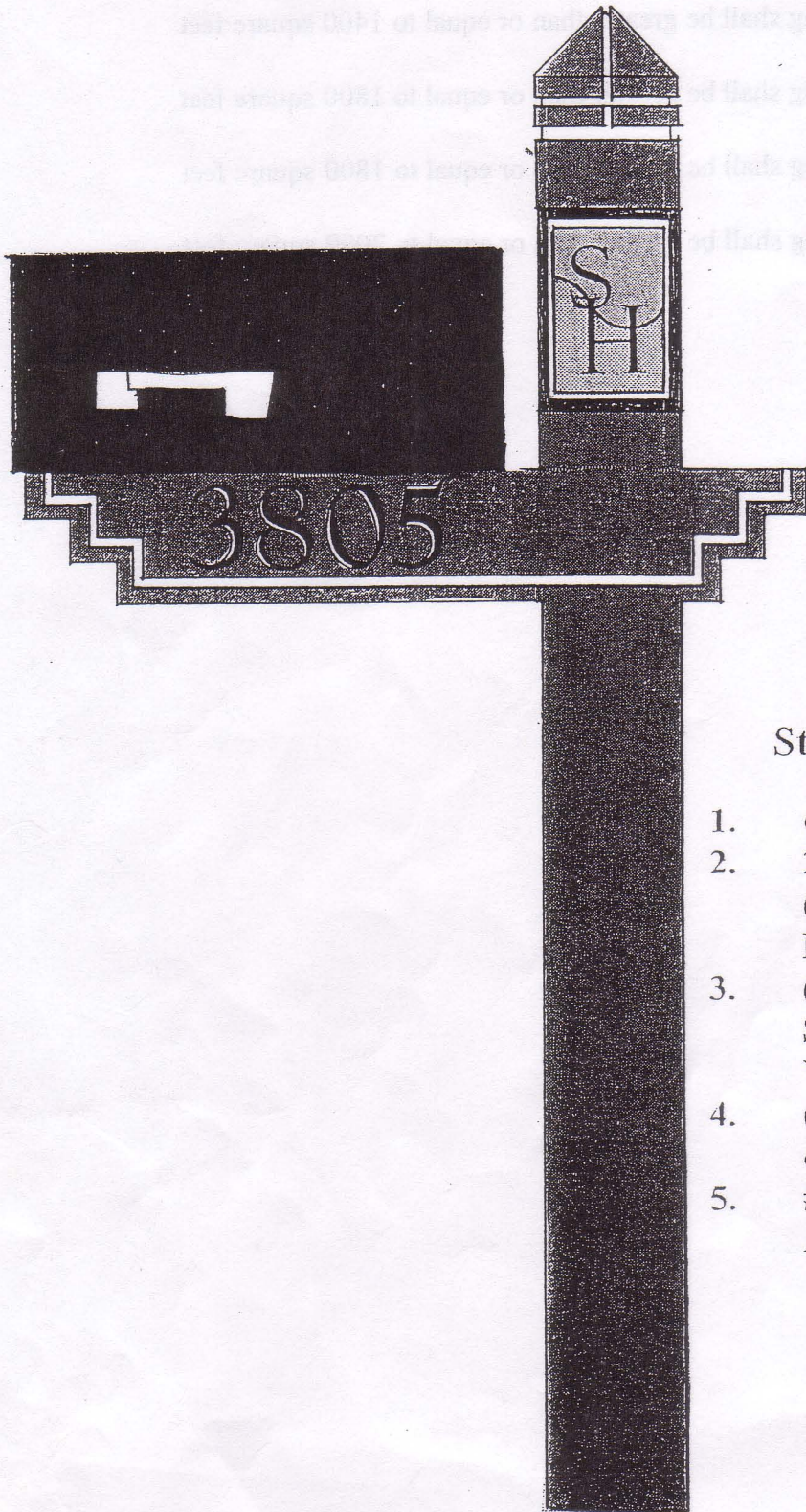
Lot Size

- 60' X 110' Excluding garages, the building shall be greater than or equal to 1400 square feet
- 65' X 110' Excluding garages, the building shall be greater than or equal to 1800 square feet
- 70' X 110' Excluding garages, the building shall be greater than or equal to 1800 square feet
- 80' X 110' Excluding garages, the building shall be greater than or equal to 2000 square feet

STERLING HILL

EXHIBIT "C"

OFFICIAL RECORDS
BK: 1841 PG: 376



Sterling Hill Mailbox Schematic

1. 6 X 6 P.T. post, Slate Gray
2. 2 X 6 P.T. arms, Slate Gray
(1/4" routed channel, Warm Medium Gray)
3. (2) 3/4" signfoam sandblasted Sterling Hill logo (Warm Medium Gray Warm Light Gray, Black "SH")
4. (2) sets 4" Sterling Silver numbers on arms
5. #1 Black Aluminum Mail Box/Silver Aluminum Flag

REAR PROPERTY LINE

4' HIGH FENCE

50% OPEN/UNOBSTRUCTED VIEW

(if adjacent to water/conservation or common area)

Can be 6' stockade privacy fence if an interior lot
(wood,PVC,aluminum,wrought iron picket/split-rail style)
(NO CHAIN LINK)

15' REAR YARD SETBACK

6' HIGH FENCE

6' HIGH FENCE

STRUCTURE

DESIGN REVIEW BOARD
(D.R.B.)

FENCING STANDARD

(all fence construction requires a Hernando County
permit AND prior approval from the D.R.B.)

SIDE PROPERTY LINE

20' FRONT YARD SETBACK

4' HIGH FENCE

50% OPEN/UNOBSTRUCTED VIEW

(wood,PVC,aluminum,wrought iron picket/split-rail style)
(NO CHAIN LINK)

DRIVEWAY

CLEAR
SIGHT
TRIANGLE

10'

Nothing higher
than 2'

10'

(FRONT PROPERTY LINE)

STREET ROW

20'

OFFICIAL RECORDS
BK: 1841
PG: 377