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DECLARATION FOR CENTRA FALLS

TABLE OF CONTENTS

	Page
1. Recitals.....	1
2. Definitions.....	1
3. Plan of Development.....	8
4. Amendments .....	8
4.1 General Restrictions on Amendments.....	8
4.2 No Vested Rights .....	8
4.3 Amendments Prior to and Including the Turnover Date .....	8
4.4 Amendments After the Turnover Date.....	9
5. Annexation and Withdrawal .....	9
5.1 Annexation by Developer .....	9
5.2 Annexation by Association.....	9
5.3 Withdrawal .....	9
6. Dissolution .....	9
6.1 Generally .....	9
6.2 Applicability of Declaration after Dissolution.....	9
7. Binding Effect and Membership .....	10
7.1 Term.....	10
7.2 Transfer.....	10
7.3 Membership .....	10
7.4 Ownership by Entity .....	10
7.5 Voting Interests.....	10
7.6 Document Recordation by Owners Prohibited .....	10
7.7 Composition of the Board.....	10
7.8 Conflicts.....	11
8. Paramount Rights of Developer .....	11

9.	Operation of Common Areas .....	11
9.1	Prior to Conveyance.....	11
9.2	Construction of Common Areas Facilities.....	11
9.3	Use of Common Areas by Developer .....	11
9.4	Conveyance.....	12
	9.4.1 Generally .....	12
	9.4.2 Form of Deed .....	12
9.5	Operation after Conveyance .....	13
9.6	Paved Areas .....	13
9.7	Delegation and Managers .....	13
9.8	Use .....	13
	9.8.1 Nonexclusive Use.....	13
	9.8.2 Right to Allow Use.....	14
	9.8.3 Obstruction of Common Areas.....	14
	9.8.4 Assumption of Risk.....	14
	9.8.5 Owner's Obligation to Indemnify .....	14
	9.8.6 Waterbodies.....	14
9.9	Rules and Regulations .....	15
	9.9.1 Generally .....	15
	9.9.2 Developer Not Subject to Rules and Regulations .....	15
9.10	Public Facilities .....	15
9.11	Default by Another Owner .....	15
9.12	Special Taxing Districts.....	15
9.13	Association's Obligation to Indemnify .....	16
9.14	Site Plans and Plats .....	16
10.	Maintenance by Association .....	16
10.1	Common Areas .....	16
10.2	Canvas Canopies and Awnings.....	16
10.3	Mailboxes .....	16
10.4	Drainage.....	16
10.5	Maintenance of Lawn and Landscaping .....	17
10.6	Sprinkler Systems and Irrigation .....	17
10.7	Street Lighting .....	17
10.8	Private Roads .....	17
10.9	Public Roads .....	17
10.10	Party Roofs .....	17
10.11	Painting .....	17
10.12	Driveways and Walkways .....	17
10.13	Perimeter Walls, Wing Walls, Sign Walls and Fences .....	17
10.14	Entrance Features.....	18
10.15	Surface Water Management System .....	18
	10.15.1 Duty to Maintain .....	18
	10.15.2 Construction .....	18
	10.15.3 Easements.....	18
	10.15.4 Disturbance of Drainage Areas .....	19
	10.15.5 Removal of Improvements .....	19
	10.15.6 Amendments Affecting the Surface Water Management System .....	19
	10.15.7 SBDD Agreement .....	19
10.16	Adjoining Areas.....	19
10.17	Negligence .....	19
10.18	Right of Entry .....	19
10.19	Maintenance of Property Owned by Others.....	20
11.	Maintenance by Owners.....	20
11.1	Standard of Maintenance .....	20



14.27	Laundry.....	28
14.28	Lawful Use.....	28
14.29	Leases, Licenses and Occupancy Agreements.....	28
14.30	Minor's Use of Facilities .....	29
14.31	Nuisances.....	29
14.32	Oil and Mining Operations .....	29
14.33	Painting.....	29
14.34	Personal Property.....	29
14.35	Removal of Soil and Additional Landscaping .....	29
14.36	Satellite Dishes and Antennas.....	29
14.37	Screened Enclosures .....	29
14.38	Service Providers .....	30
14.39	Signs and Flags .....	30
14.40	Sports Equipment.....	30
14.41	Storage.....	30
14.42	Subdivision and Regulation of Land.....	30
14.43	Substances.....	30
14.44	Swimming, Fishing, Boating, Docks and Wildlife .....	31
14.45	Use of Homes .....	31
14.46	Visibility on Corners.....	31
14.47	Water Intrusion .....	31
14.48	Wells and Septic Tanks.....	31
14.49	Windows or Wall Units .....	31
14.50	Window Treatments.....	31
15.	Insurance.....	31
15.1	Common Areas .....	31
15.1.1	Casualty.....	31
15.1.2	Flood Insurance.....	31
15.1.3	Liability Insurance .....	32
15.1.4	Directors and Officers Liability Insurance .....	32
15.1.5	Fidelity Bonds. ....	32
15.1.6	Other Insurance .....	32
15.1.7	Developer .....	32
15.2	Homes .....	32
15.2.1	Requirement to Maintain Insurance .....	32
15.2.2	Association Insurance. ....	33
15.2.3	Owners Personal Coverage .....	33
15.2.4	Association Has No Liability .....	33
15.3	Fidelity Bonds.....	33
15.4	Association as Agent .....	34
15.5	Casualty to Common Areas .....	34
15.6	Nature of Reconstruction .....	34
15.7	Additional Insured .....	34
15.8	Cost of Payment of Premiums .....	34
15.9	Insurance Deductibles.....	34
15.10	Repair Costs Exceed Amount of Insurance Proceeds .....	34
15.11	Owner Responsibility .....	35
16.	Reconstruction, Repair or Demolition.....	35
16.1	Reconstruct or Repair .....	35
16.2	Substantial Damage; Determination to Reconstruct or Repair .....	35
16.3	Standard of Work.....	35
16.4	Additional Rights of Association.....	36
16.5	Rights of City and/or County.....	36



17.	Property Rights .....	36
17.1	Owners' Easement of Enjoyment .....	36
17.2	Yard Areas .....	37
17.3	Access, Ingress and Egress, and Parking .....	37
17.4	Maintenance Easement .....	37
17.5	Development Easement .....	37
17.6	Signage .....	38
17.7	Public Easements .....	38
17.8	Delegation of Use .....	38
17.9	Easement for Encroachments.....	38
17.10	Permits, Licenses and Easements .....	38
17.11	Support Easement and Maintenance Easement.....	38
17.12	Easement for Unintentional and Non-Negligent Encroachments .....	38
17.13	Drainage.....	39
17.14	Reservation to Grant Additional Easements .....	39
17.15	Blanket Easement in Favor of Association .....	39
17.16	Blanket Easement in Favor Developer.....	39
17.17	Blanket Easement in Favor of City .....	39
17.18	Irrigation Line Easement .....	39
17.19	Duration .....	39
18.	Assessments .....	40
18.1	Types of Assessments.....	40
18.2	Purpose of Assessments.....	40
18.3	Covenant for Maintenance Assessments for Association .....	41
18.4	Designation .....	41
18.5	Allocation of Operating Costs .....	41
18.6	General Assessments Allocation.....	41
18.7	Use Fees and Individual Assessment.....	42
18.8	Commencement of First Assessment.....	42
18.9	Deficit Funding, Guarantee of Assessments, Shortfalls and Surpluses .....	42
	18.9.1 Deficit Funding .....	42
	18.9.2 Guarantee of Assessments.....	42
	18.9.3 Surpluses .....	43
18.10	Budget.....	43
18.11	Establishment of Assessments .....	43
18.12	Initial Contribution .....	44
18.13	Assessment Estoppel Certificates .....	44
18.14	Payment of Home Real Estate Taxes.....	44
18.15	Creation of the Lien and Personal Obligation.....	44
18.16	Contest of Lien .....	45
18.17	Subordination of the Lien to Mortgages .....	45
18.18	Acceleration.....	45
18.19	Non-Payment of Assessments.....	46
18.20	Lender.....	46
18.21	Exemption.....	47
18.22	Collection by Developer .....	47
18.23	Rights to Pay Assessments and Receive Reimbursement.....	47
18.24	Collection of Assessments .....	47
18.25	Mortgagee Right .....	47
18.26	Payments by Lessees, Licensees or Occupants.....	47
	18.26.1 Demand by Association .....	47
	18.26.2 Prepaid Rent and other Occupancy Fees .....	48
	18.26.3 Increases in Monetary Obligations.....	48
	18.26.4 Association Rights Under Chapter 83, Florida Statutes .....	48
	18.26.5 No Rights as Owner .....	48

19.	Information to Lenders and Owners.....	48
19.1	Availability .....	48
19.2	Copying .....	48
19.3	Notice.....	48
19.4	Consent of Lenders .....	49
19.5	Conflicts.....	49
20.	Architectural Control .....	49
20.1	Architectural Review Committee .....	49
20.2	Membership .....	49
20.3	General Plan.....	49
20.4	Master Plan .....	50
20.5	Community Standards.....	50
20.6	Quorum .....	50
20.7	Power and Duties of the ARC.....	50
20.8	Procedure .....	50
20.9	Alterations.....	51
20.10	Variances .....	51
20.11	Permits .....	52
20.12	Construction by Owners .....	52
20.13	Inspection.....	52
20.14	Violation .....	52
20.15	Court Costs .....	53
20.16	Certificate .....	53
20.17	Certificate of Compliance .....	53
20.18	Exemption.....	53
20.19	Exculpation.....	53
21.	Owners Liability .....	54
21.1	Loop System Irrigation .....	54
21.2	Right to Cure.....	54
21.3	Non-Monetary Defaults .....	54
21.4	Expenses .....	55
21.5	No Waiver.....	55
21.6	Rights Cumulative .....	55
21.7	Enforcement By or Against Other Persons .....	55
21.8	Fines and Suspensions .....	55
22.	Additional Rights of Developer .....	56
22.1	Sales and Administrative Offices.....	56
22.2	Modification .....	57
22.3	Promotional Events.....	57
22.4	Use by Prospective Purchasers .....	57
22.5	Franchises .....	57
22.6	Management .....	57
22.7	Easements .....	57
22.8	Right to Enforce.....	58
22.9	Additional Development.....	58
22.10	Representations .....	58
22.11	Telecommunications Services .....	58
	22.11.1 Right to Contract for Telecommunications Services.....	58
	22.11.2 Easements.....	58
	22.11.3 Restoration .....	59
	22.11.4 Operating Costs.....	59
22.12	Non-Liability .....	59
22.13	Resolution of Disputes.....	60

22.14	Venue.....	60
22.15	Reliance .....	60
22.16	Access Control System .....	60
22.16.1	Components.....	61
22.16.2	Part of Operating Costs .....	61
22.16.3	No Warranty.....	61
22.16.4	Owners' Responsibility.....	61
23.	Selling, Leasing and Disposition of Homes .....	61
23.1	Transfers Subject to Approval .....	62
23.1.1	Sale.....	62
23.1.2	Lease, License and Occupancy Agreement.....	62
23.1.3	Devise or Inheritance .....	62
23.1.4	Gift .....	62
23.1.5	Other Transfers.....	62
23.1.6	Notification of Transfers .....	62
23.2	Approval by Association .....	62
23.2.1	Notice to Association .....	62
23.2.1.1	Sale .....	62
23.2.1.2	Lease, License, Occupancy Agreement.....	62
23.2.1.3	Devise or Inheritance .....	63
23.2.1.4	Gift; Other Transfers .....	63
23.2.1.5	Failure to Give Notice.....	63
23.2.1.6	Effect and Manner of Notice.....	63
23.2.2	Certificate of Approval.....	63
23.2.2.1	Sale .....	63
23.2.2.2	Lease, License, Occupancy Agreement.....	63
23.2.2.3	Devise or Inheritance .....	63
23.2.2.4	Gift, Other Transfer.....	64
23.2.3	Approval of Owner Other Than an Individual .....	64
23.3	Disapproval by Association .....	64
23.3.1	Sale.....	64
23.3.2	Lease, License, Occupancy Agreement.....	64
23.3.3	Transfer by Devise or Inheritance .....	65
23.3.4	Gift and Other Transfers .....	65
23.4	Exceptions.....	65
23.5	Unauthorized Transactions .....	65
23.6	Notice of Lien or Suit .....	65
23.6.1	Notice of Lien .....	65
23.6.2	Notice of Suit .....	65
23.6.3	Failure to Comply .....	65
24.	Refund of Taxes and Other Charges .....	65
25.	Assignment of Powers .....	65
26.	General Provisions .....	66
26.1	Authority of Board.....	66
26.2	Severability.....	66
26.3	Execution of Documents.....	66
26.4	Affirmative Obligation of Association .....	66
26.5	Notices .....	66
26.6	Florida Statutes .....	66
26.7	No Obligation to Enforce.....	66
26.8	Construction Activities .....	66
26.9	Utilities .....	67

26.10	Title Documents.....	67
27.	Disclaimer of Warranties .....	68

Exhibits

1. Legal Description
2. Articles of Incorporation
3. By-Laws
4. Permit

## DECLARATION FOR CENTRA FALLS

THIS DECLARATION FOR CENTRA FALLS (this "**Declaration**") is made by Centra Falls, LLC, a Florida limited liability company ("**CFLLC**") and joined in by Centra Falls Homeowners Association, Inc., a Florida not-for-profit corporation ("**Association**").

### R E C I T A L S

- A. CFLLC is the owner of the real property in Broward County, Florida ("**County**"), as more particularly described in **Exhibit 1** attached to and made a part of this Declaration ("**Centra Falls**").
- B. Subject to the terms of this Declaration, CFLLC presently intends (although CFLLC does not obligate itself to do so) to develop a residential community upon the real property described in **Exhibit 1** and such other properties as CFLLC may, without obligation, subject to this Declaration from time to time.
- C. CFLLC may unilaterally, in its sole and absolute discretion, from time to time, elect to: (i) subject additional properties to this Declaration or withdraw portions of properties from this Declaration; (ii) amend this Declaration; and/or (iii) impose additional covenants, conditions and restrictions not set forth in this Declaration on such additional portions of properties.
- D. Association is the owners association for Centra Falls and is responsible for the administration, enforcement and performance of certain duties under this Declaration.
- E. This Declaration is a covenant running with all of the land comprising Centra Falls, and each present and future owner of interests therein and their heirs, devisees, personal representatives, successors or assigns are hereby subject to this Declaration;

NOW THEREFORE, CFLLC hereby declares that Centra Falls, together with such additions to Centra Falls as are subsequently made pursuant to Section 5 of this Declaration, shall be owned, held, transferred, sold, conveyed, used, leased, mortgaged, occupied and improved subject to the covenants, conditions, restrictions, easements, reservations, regulations, charges and liens created or provided for by this Declaration, which shall run with Centra Falls and any part thereof.

1. **Recitals.** The foregoing Recitals are true and correct and are incorporated into and form a part of this Declaration.
2. **Definitions.** In addition to the terms defined elsewhere in this Declaration, all initially capitalized terms in this Declaration shall have the following meanings:

**"Access Control System"** shall mean any surveillance and/or monitoring and/or other system intended to control access, provide alarm service, and/or enhance the welfare of Centra Falls exclusively. By way of example, and not of limitation, the term Access Control System may include electronic entrance gates, perimeter fences, pedestrian gates, a manned or unmanned gatehouse, a roving attendant and/or any combination thereof. THE PROVISION OF AN ACCESS CONTROL SYSTEM SHALL IN NO MANNER CONSTITUTE A WARRANTY OR REPRESENTATION AS TO THE PROVISION OF OR LEVEL OF SECURITY WITHIN CENTRA FALLS. DEVELOPER AND ASSOCIATION DO NOT GUARANTEE OR WARRANT, EXPRESSLY OR BY IMPLICATION, THE MERCHANTABILITY OF FITNESS FOR USE OF ANY ACCESS CONTROL SYSTEM, OR THAT ANY SUCH SYSTEM (OR ANY OF ITS COMPONENTS OR RELATED SERVICES) WILL PREVENT INTRUSIONS OR OTHER OCCURRENCES, REGARDLESS OF WHETHER OR NOT THE ACCESS CONTROL SYSTEM IS DESIGNED TO MONITOR AND/OR CONTROL THE SAME. EACH AND EVERY OWNER AND THE OCCUPANT OF EACH HOME OR PARCEL ACKNOWLEDGES THAT DEVELOPER AND ASSOCIATION, THEIR EMPLOYEES, AGENTS, MANAGERS, DIRECTORS, OFFICERS, MEMBERS, PARTNERS AND AFFILIATES, ARE NOT INSURERS OF OWNERS OR HOMES OR PARCELS, OR THE PERSONAL PROPERTY LOCATED WITHIN HOMES OR PARCELS. DEVELOPER AND

ASSOCIATION WILL NOT BE RESPONSIBLE OR LIABLE FOR LOSSES, INJURIES, OR DEATHS RESULTING FROM ANY INTRUSIONS OR ANY OTHER OCCURRENCES.

**“Agreement”** shall mean the Agreement by and between SBDD and Engle Homes/Pembroke, Inc. dated May 25, 1995 and recorded in Official Records Book 23512, Page 665 off the Public Records, as amended by the Amendment to May 25, 1995 Between South Broward Drainage District and Engle Homes/Pembroke, Inc. dated February 14, 1997 and recorded in Official Records Book 26065, Page 538 of the Public Records, which Agreement requires, among other things, the maintenance of the conservation easement areas described in the Agreement including the Littoral Shelf Areas, Wetland Mitigation Areas, Upland Buffer Areas, Drainage System Easements and Drainage System, all as defined in the Agreement). To the extent applicable, all obligations under the Agreement will be assigned to and/or the responsibility of Association, the Association shall indemnify and hold Developer harmless from any liability, costs and expenses which may result or arise under the Agreement after assignment to the Association, and all costs and expenses incurred by the Association as a result of fulfilling the obligations and responsibilities under the Agreement shall be part of Operating Costs.

**“ARC”** shall mean the Architectural Review Committee for Centra Falls established pursuant to Section 20 of this Declaration.

**“Articles”** shall mean the Articles of Incorporation of Association filed with the Florida Department of State in the form attached to this Declaration as **Exhibit 2** and made a part of this Declaration, as amended from time to time.

**“Assessments”** shall mean any assessments made in accordance with this Declaration and as further defined in Section 18 of this Declaration.

**“Association”** shall mean Centra Falls Homeowners Association, Inc., a Florida not-for-profit corporation, its successors and assigns.

**“Association Documents”** shall mean this Declaration, the Articles, the By-Laws, the Rules and Regulations, and the Community Standards, as amended from time to time.

**“Board”** shall mean the Board of Directors of Association.

**“Builder”** shall mean any person or entity that purchases a Parcel or Lot from Developer for the purpose of constructing one (1) or more Homes. Developer does not currently contemplate that there will be any Builders.

**“By-Laws”** shall mean the By-Laws of Association in the form attached as **Exhibit 3** to and made a part of this Declaration, as amended from time to time.

**“Cable Services”** shall mean “basic service tier” as described in Section 623(b)(7)(A) of the Cable Television Consumer Protection Act of 1992, video programming services offered on a per-channel or per-program basis, video programming services offered in addition to basic service tier, any method of delivering video programming to Homes including, without limitation, interactive video programming, and any channel recognized in the industry as premium including, without limitation, HBO, Showtime, Disney, Cinemax and the Movie Channel. By way of example, and not of limitation, the term Cable Services may include cable television, satellite master antenna television, individual satellite dishes, multipoint distribution systems, video dialtone, open video system or any combination thereof.

**“Centra Falls”** shall initially mean the residential community located on the property described in **Exhibit 1** to this Declaration (including all improvements thereon), plus whatever portions of adjacent or nearby properties (together with improvements thereon) that CFLLC declares as part of Centra Falls in any amendment to this Declaration, less whatever portions of such property (together with improvements thereon) that are declared to be withdrawn from the provisions of this Declaration in any amendment to this Declaration. Developer may, when amending or modifying the description of real property which is subject to the operation of this Declaration, also amend or modify the definition of Centra Falls.

**“Centra Falls II”** shall mean the planned residential community to be located adjacent to Centra Falls.

**“CF II Association”** shall mean the Centra Falls II Homeowners Association, Inc., the homeowners association that will be responsible for the operation and maintenance of Centra Falls II.

**“CF II Irrigation Facilities”** “shall have the meaning set forth in Section 17.18 of this Declaration.

**“CFLLC”** shall mean Centra Falls, LLC, a Florida limited liability company, its successors and/or assigns.

**“Charge”** shall mean the obligation of an Owner to pay or reimburse money to the Association that is not secured as an Assessment but which will, if not paid, (i) be a lien in favor of the Association encumbering the Home and all personal property located thereon owned by the Owner against whom such Charge is made, and, (ii) will give rise to a cause of action against the Owner pursuant to this Declaration, in which case the Association shall also be entitled to recover reasonable attorneys’ fees and costs in relation to such action.

**“City”** shall mean the City of Pembroke Pines, Florida, its agencies, divisions, departments and attorneys or agents authorized to act on its behalf.

**“City Ordinance”** shall mean City Ordinance Number 816, as amended by City Ordinance Numbers 997, 1092, 1123, 11396, 1166, 1205, 1293, 1311, 1363, and 1703, as the same may be further amended from time to time.

**“Common Areas”** shall mean all real property interests and personalty within Centra Falls designated as Common Areas from time to time by Plat, this Declaration, a recorded amendment to this Declaration, or otherwise, and provided for, owned, leased by, or dedicated to, the common use and enjoyment of the Owners within Centra Falls, as well as any area dedicated to, or reserved for, the Association on any recorded Plat, or replat, of the Properties. The Common Areas may include, without limitation, open space areas, internal buffers, wet and dry retention areas, entranceways and entrance features, fountains, private streets and roads, perimeter buffers, perimeter walls and fences, landscaping and landscaped areas, easement areas owned by others, public rights of way, additions, irrigation pumps, irrigation lines, Surface Water Management System, Access Control System (if any), sidewalks, street lights and other outside lighting, service roads and alleys, driveways, walls, commonly used utility facilities, project signage, parking areas, pool, pool deck, cabana, hot tub and/or spa, fitness center, and restrooms. The Common Areas do not include any portion of a Home. NOTWITHSTANDING ANYTHING CONTAINED IN THIS DECLARATION TO THE CONTRARY, THE DEFINITION OF **“COMMON AREAS”** AS SET FORTH IN THIS DECLARATION IS FOR DESCRIPTIVE PURPOSES ONLY AND SHALL IN NO WAY BIND, OBLIGATE OR LIMIT DEVELOPER TO CONSTRUCT OR SUPPLY ANY SUCH ITEM AS SET FORTH IN SUCH DESCRIPTION, THE CONSTRUCTION OR SUPPLYING OF ANY SUCH ITEM BEING IN DEVELOPER’S SOLE DISCRETION. FURTHER, NO PARTY SHALL BE ENTITLED TO RELY UPON SUCH DESCRIPTION AS A REPRESENTATION OR WARRANTY AS TO THE EXTENT OF THE COMMON AREAS TO BE OWNED, LEASED BY OR DEDICATED TO ASSOCIATION, EXCEPT AFTER CONSTRUCTION AND DEDICATION OR CONVEYANCE OF ANY SUCH ITEM.

**“Community Completion Date”** shall mean the date upon which all Homes in Centra Falls, as ultimately planned and as fully developed, have been conveyed by Developer and/or Builder to Owners.

**“Community Standards”** shall mean such standards of conduct, maintenance or other activity, if any, established by the ARC pursuant to Section 0 of this Declaration.

**“Contractors”** shall have the meaning set forth in Section 20.12.2 of this Declaration.

**“County”** shall mean Broward County, Florida, including all of its agencies, divisions, departments, attorneys or agents employed to act on its behalf.

**“Data Transmission Services”** shall mean (i) internet access services and (ii) enhanced services as defined in Section 64.702 of Title 47 of the Code of Federal Regulations, as amended from time to time, and without regard to whether the transmission facilities are used in interstate commerce.

**“Declaration”** shall mean this Declaration, together with all amendments, supplements and modifications of this Declaration.

**“Developer”** shall mean CFLLC and any of its designees (including its affiliated or related entities which conduct land development, homebuilding and sales activities), successors and assigns who receive a written assignment of all or some of the rights of Developer under this Declaration. Such assignment need not be recorded in the Public Records in order to be effective. In the event of such a partial assignment, the assignee shall not be deemed Developer, but may exercise such rights of Developer specifically assigned to it. Any such assignment may be made on a non-exclusive basis. The rights of Developer under this Declaration are independent of the Developer’s rights to control the Board, and, accordingly, shall not be deemed waived, transferred or assigned to the Owners, the Board or the Association upon the transfer of control of the Association.

**“Development Order”** shall mean the Development Order for the Pembroke Meadows Development of Regional Impact adopted on January 7, 1987 as Ordinance No. 816 of the City and referenced in the Notice of Adoption of Development Order recorded in Official Records Book 15089, Page 794, as amended and/or affected by Amendment to Development Order for a Development of Regional Impact adopted June 17, 1992 and recorded in Official Records Book 19668, Page 353, Amendment to the Broward County Comprehensive Plan and recorded in Official Records Book 22403, Page 132, Amended Development Order recorded in Official Records Book 22680, Page 975, Amendment to Development Order recorded in Official Records Book 23841, Page 701, Amendment to Development Order recorded in Official Records Book 24369, Page 89, Amendment to Development Order recorded in Official Records Book 26205, Page 723, Amendment to Development Order recorded in Official Records Book 31371, Page 1754, and Amendment to Development Order recorded in Official Records Book 48284, Page 1449, all in the Public Records and as the same may be further amended from time to time.

**“DRI”** shall mean the Pembroke Meadows Development of Regional Impact established and approved pursuant to the Development Order and City Ordinance, as amended and as they may be amended from time to time.

**“Emergency Repairs”** shall have the meaning set forth in Section 0 of this Declaration.

**“Exhibits”** shall mean (1) Legal Description of Centra Falls; (2) Articles of Incorporation of the Association; (3) By-Laws of the Association; and (4) the Permit, which are attached to this Declaration as Exhibits 1, 2, 3, and 4 respectively. The foregoing Exhibits are incorporated into and made a part of this Declaration.

**“FCC”** shall have the meaning set forth in Section 14.36 of this Declaration.

**“FHA”** shall mean the Federal Housing Administration of the U.S. Department of Housing and Urban Development.

**“FHLMC”** shall mean the Federal Home Loan Mortgage Corporation.

**“FNMA”** shall mean the Federal National Mortgage Association.

**“Foreclosing Lender”** shall mean a Lender that acquires title to a Home or Parcel by foreclosure or judicial sale or deed in lieu of foreclosure of a bona fide first mortgage on a Home or Parcel held by the Lender.

**“GNMA”** shall mean the Government National Mortgage Association.

**“Guarantee Expiration Date”** shall have the meaning set forth in Section 18.9.2.1 of this Declaration.

**“Home”** shall mean each residential home and appurtenances thereto constructed within Centra Falls. A Home shall include Townhome(s). The term “Home” may not reflect the same division of property as reflected on a Plat. A Home shall be deemed created and have perpetual existence upon the issuance of a final or temporary certificate of occupancy for such residence; provided, however, the subsequent loss of such certificate of occupancy (e.g., by casualty or remodeling) shall not affect the status of a Home, or the obligation of Owner to pay



Assessments with respect to such Home. The term “Home” includes any interest in land, improvements, or other property appurtenant to the Home.

“**Improvement**” shall have the meaning set forth in Section 21.1 of this Declaration.

“**Indemnified Parties**” shall have the meaning set forth in Section 9.8.4 of this Declaration.

“**Individual Assessments**” shall have the meaning set forth in Section 18.2.5 of this Declaration.

“**Initial Contribution**” shall have the meaning set forth in Section 18.12 of this Declaration.

“**Installment Assessments**” shall have the meaning set forth in Section 18.2.1 of this Declaration.

“**Lender**” shall mean (i) the institutional and licensed holder of a first mortgage encumbering a Parcel, Lot, or Home, including, but not limited to, a federal or state chartered bank or savings and loan association, an insurance company, a real estate or mortgage investment trust, a pension or profit sharing plan, a mortgage company, GNMA, FNMA, FHLMC, an agency of the United States or any other governmental authority, including the VA and FHA, or any other similar type of lender generally recognized as an institutional type lender; and (ii) Developer and its affiliates, to the extent Developer or any of its affiliates finances the purchase of a Home, Lot or Parcel initially or by assignment of an existing mortgage.

“**Lessee**” shall mean the lessee named in any written lease respecting a Home who is legally entitled to possession of any rental Home within Centra Falls.

“**Losses**” shall have the meaning set forth in Section 9.8.5 of this Declaration.

“**Lot**” shall mean any platted residential lot shown on a Plat, or any parcel of land within Centra Falls where a Home is built or permitted to be built by the appropriate governmental authorities.

“**Management Company**” shall have the meaning set forth in Section 9.7 of this Declaration.

“**Master Plan**” shall mean, collectively, the full or partial concept plan for the development of Centra Falls as it exists as of the date of recording this Declaration, regardless of whether such plan is currently on file with one or more governmental agencies. Centra Falls is or may become a part of the DRI. The Master Plan is subject to change as set forth in this Declaration. The Master Plan is not a representation by Developer as to the development of Centra Falls or its amenities, as Developer reserves the right to amend all or part of the Master Plan from time to time.

“**Member**” shall have the meaning set forth in Section 7.3 of this Declaration.

“**MRTA**” shall have the meaning set forth in Section 7.1 of this Declaration.

“**NFIP**” shall have the meaning set forth in Section 15.1.2 of this Declaration.

“**Operating Costs**” shall mean all costs and expenses of the Association relating, directly or indirectly, to the ownership, operation, administration, management, insurance, maintenance, repair, replacement and/or alteration of the Common Areas, including, without limitation, all costs of ownership (to the extent that the Common Areas are owned by Association); janitorial services for the Common Areas; operation; administration; all amounts payable by Association; all amounts required to remove canvas canopies and awnings located on a Townhome Building (other than those installed by Owners with ARC approval) or located within the Common Areas, if any, as required by this Declaration; all amounts required to maintain the Surface Water Management System, all community lighting including up-lighting and entrance lighting, all amounts payable in connection with any private street lighting agreement between Association and FPL or other utility company, if any; amounts payable to a Telecommunications Provider for Telecommunications Services furnished to all Owners pursuant to an agreement between the Association and Telecommunications Provider (if any); amounts payable for water and sewer service and electric service to the Common Areas; utilities; taxes; insurance; bonds; Access Control Systems, if any; waste

collection fees; salaries; management fees; professional fees; service costs; supplies; maintenance; repairs; replacements; refurbishments; common area landscape maintenance; and any and all costs relating to the discharge of the obligations under the Association Documents, or as determined to be part of the Operating Costs by Association. By way of example, and not of limitation, Operating Costs shall include all of Association's legal expenses and costs relating to or arising from the enforcement and/or interpretation of this Declaration. In addition, in the event Association obtains and maintains insurance on Homes as provided in Section 15.2.1 of this Declaration, Operating Costs shall include all costs and expenses of the Association to obtain and maintain such insurance for Homes.

**"Owner"** shall mean the record owner (whether one or more persons or entities) of fee simple title to any Home. The term "Owner" shall not include Developer, Builders (until the Turnover Date), or a Lender.

**"Parcel"** shall mean a platted or unplatted lot, tract, unit or other subdivision of real property upon which a Home has been, or will be, constructed. Once improved, the term "Parcel" shall include all improvements thereon and appurtenances thereto. The term Parcel, as used herein, may include more than one Home.

**"Party Roof"** shall mean any roof built as part of the original construction of two or more Homes, which Homes are connected by one or more Party Walls.

**"Party Wall"** shall mean any fence or wall built as part of the original construction of two or more Homes which is placed on the dividing line or platted lot line between such Homes.

**"Permit"** shall mean, collectively, the permit(s) issued by SFWMD and/or SBDD relating to Centra Falls, a copy of which is/are attached to and made a part of this Declaration as **Exhibit 4**.

**"Plat"** shall mean any plat of any portion of Centra Falls recorded in the Public Records, as the same may be amended by Developer, from time to time.

**"Properties"** shall mean, collectively, all property subject to the terms of this Declaration initially and any property added by amendment to this Declaration.

**"Public Records"** shall mean the Public Records of County.

**"Required Demolition"** shall have the meaning set forth in Section 16.2 of this Declaration.

**"Required Repairs"** shall have the meaning set forth in Section 16.1 of this Declaration.

**"Reserves"** shall have the meaning set forth in Section 18.2.4 of this Declaration.

**"Rules and Regulations"** shall mean collectively the rules and regulations governing Centra Falls as adopted and amended by the Board from time to time.

**"SBDD"** shall mean the South Broward Drainage District.

**"SFWMD"** shall mean the South Florida Water Management District.

**"Special Assessments"** shall mean those Assessments more particularly described as Special Assessments in Section 18.2.2 of this Declaration.

**"Standard"** shall have the meaning set forth in Section 20.3 of this Declaration.

**"Substantial Damage"** shall mean that the cost of restoration or repair of damage to the Home that is equal to seventy-five percent (75%) or more of the replacement value of the Home immediately prior to such damage or destruction. The cost of restoration or repair of damage to a Home shall be estimated by at least two (2) reputable general contractors licensed by the State of Florida.

**“Surface Water Management System”** shall mean the collection of devices, improvements, or natural systems whereby surface waters are controlled, impounded or obstructed and/or which is designed and constructed or implemented to control discharges which are necessitated by rain fall events, incorporating methods to collect, convey, store, absorb, inhibit, treat, use or reuse water to prevent flooding, over drainage, environmental degradation, and water pollution or otherwise affect the quantity and quality of discharges. This term may include, but is not limited to, exfiltration trenches, wetlands, preserve areas, conservation areas, mitigation areas, lakes, wet retention areas, dry retention areas, water management areas, ditches, culverts, structures, dams, impoundments, reservoirs, drainage maintenance easements, those works defined in Section 373.403(1)-(5) of the Florida Statutes. The term also includes those works authorized by SFWMD and/or SBDD pursuant to the Permit and/or Agreement.

**“Telecommunications Provider”** shall mean any party contracting with Association and/or Owners directly to provide Owners with one or more Telecommunications Services. Developer may be a Telecommunications Provider. With respect to any particular Telecommunications Services, there may be one or more Telecommunications Providers. By way of example, with respect to Data Transmission Services, one Telecommunications Provider may provide Association and/or Owners such service, while another may own, maintain and service the Telecommunications Systems which allow delivery of such Data Transmission Services.

**“Telecommunications Services”** shall mean delivered entertainment services; all services that are typically and in the future identified as telecommunication services; Telephony Services; Cable Services; and Data Transmission Services. Without limiting the foregoing, such Telecommunications Services include the development, promotion, marketing, advertisement, provision, distribution, maintenance, transmission, and servicing of any of the foregoing services. The term “Telecommunications Services” is to be construed as broadly as possible.

**“Telecommunications Systems”** shall mean all facilities, items and methods required and/or used in order to provide Telecommunications Services to Centra Falls. Without limiting the foregoing, Telecommunications Systems may include wires (fiber optic or other material), conduits, passive and active electronic equipment, pipes, pedestals, wireless cell sites, computers, modems, satellite antenna sites, individual satellite dishes, transmission facilities, amplifiers, junction boxes, trunk distribution, feeder cables, lock boxes, taps, drop cables, related apparatus, converters, connections, head-end antennas, earth stations, appurtenant devices, network facilities necessary and appropriate to support provision of local exchange services and/or any other item appropriate or necessary to support provision of Telecommunications Services. Ownership and/or control of all or a portion of any part of the Telecommunications Services may be bifurcated among network distribution architecture, system head-end equipment, and appurtenant devices (e.g., individual adjustable digital units).

**“Telephony Services”** shall mean local exchange services provided by a certified local exchange carrier or alternative local exchange company, intraLATA and interLATA voice telephony and data transmission.

**“Title Documents”** shall have the meaning set forth in Section 26.10 of this Declaration.

**“Toll Calls”** shall have the meaning given to such term by the Florida Public Service Commission and/or the Federal Communications Commission.

**“Townhome”** shall mean each Home within Centra Falls which is part of a Townhome Building.

**“Townhome Building”** shall mean a single structure containing multiple Homes in which the Homes are separated by Party Walls.

**“Turnover Date”** shall mean the date on which Developer transfers control of Association to the Owners. Without limiting the foregoing, Developer shall never be obligated to transfer control of Association prior to the date required by law on the date the Declaration is recorded.

**“Use Fees”** shall have the meaning set forth in Section 18.2.3 of this Declaration.

**“VA”** shall mean the U.S. Department of Veteran Affairs.

**“Violations Committee”** shall have the meaning set forth in Section 21.8.2 of this Declaration.

3. **Plan of Development.** The planning process for Centra Falls is an ever-evolving one and must remain flexible in order to be responsible to and accommodate the needs of Developer and purchasers of Homes within Centra Falls. Subject to the Title Documents, Developer may wish and has the right, but not the obligation, to develop Centra Falls and any adjacent or nearby property now or hereafter owned by Developer into residences, comprised of homes, coach homes, townhomes, villas, zero lot line homes, patio homes, multi-family homes, single family homes, estate homes, condominiums, rental apartments, and other forms of residential dwellings, as well as commercial development which may include stores, showrooms, and professional offices. The existence at any point in time of walls, landscape screens, or berms is not a guaranty or promise that such items will remain or form part of Centra Falls as finally developed. Any development plan is not a representation by Developer as to the development of Centra Falls or its amenities as the Developer shall have the absolute right to plan, develop and construct Centra Falls and adjacent or nearby properties at Developer’s sole discretion.

4. **Amendments.**

4.1 **General Restrictions on Amendments.** Notwithstanding any other provision in this Declaration to the contrary, no amendment to this Declaration shall affect the rights of Developer unless such amendment receives the prior written consent of Developer, which consent may be withheld or delayed for any reason whatsoever. No amendment shall alter the provisions of this Declaration benefiting Lenders under this Declaration without the prior written approval of the Lender(s) enjoying the benefit of such provisions. If the prior written approval of any governmental entity or agency having jurisdiction is required by applicable law or governmental regulation for any amendment to this Declaration, then the prior written consent of such entity or agency must also be obtained. All amendments must comply with Section 10.15.6 of this Declaration which benefits the SFWMD and/or SBDD. No amendment shall be effective until it is recorded in the Public Records. Within thirty (30) days after recording an amendment to the Association Documents, the Association shall provide copies of the amendment to all Owners; provided, however, if a copy of the proposed amendment was previously provided to the Owners and the proposed amendment is not changed, the Association, in lieu of providing a copy of the amendment to all Owners, may provide notice to the Owners that the amendment was adopted and identifying the Official Records book and page number or instrument number of the recorded amendment and indicating that a copy of the amendment is available at no charge to the Owner upon written request to the Association. Notwithstanding the foregoing, the failure to timely provide notice of recording of an amendment to Owners shall not affect the validity and enforceability of such amendment.

4.2 **No Vested Rights.** Each Owner by acceptance of a deed to a Home irrevocably waives any claim that such Owner has any vested rights pursuant to case law or statute with respect to this Declaration or any of the other Association Documents. It is expressly intended that Developer and Association have the unfettered right to amend this Declaration and the other Association Documents except as otherwise expressly set forth in this Declaration.

4.3 **Amendments Prior to and Including the Turnover Date.** Except as prohibited by applicable law, prior to and including the Turnover Date, Developer shall have the right to amend this Declaration as it deems appropriate in Developer’s sole discretion, without the joinder or consent of any person or entity whatsoever. Such amendments may include, without limitation, the creation of easements for Telecommunications Systems, utility, drainage, ingress and egress and roof overhangs over any portion of Centra Falls; additions or deletions from the properties comprising the Common Areas; changes in the Rules and Regulations, modifications of restrictions on the Homes, and maintenance standards for landscaping. Developer’s right to amend under this provision is to be construed as broadly as possible. By way of example, and not as a limitation, Developer may create easements over Homes conveyed to Owners provided that such easements do not prohibit the use of such Homes as residential homes. In the event that Association shall desire to amend this Declaration prior to and including the Turnover Date, Association must first obtain Developer’s prior written consent to any proposed amendment. Thereafter, an amendment identical to that approved by Developer may be adopted by Association pursuant to the requirements for amendments after the Turnover Date. Thereafter, Developer shall join in such identical amendment so that its consent to the same will be reflected in the Public Records. Notwithstanding the foregoing, at all times after the Turnover Date, Developer shall have the right to amend the Association Documents unilaterally to correct any scrivener’s error.

4.4 Amendments After the Turnover Date. After the Turnover Date, but subject to the general restrictions on amendments set forth in Section 4.1 above, this Declaration may be amended with the approval of (i) sixty six and two-thirds percent (66⅔%) of the Board; and (ii) seventy-five percent (75%) of all of the votes present (in person or by proxy) at a duly noticed meeting of the Members at which a quorum is present as provided in the By-Laws.

5. Annexation and Withdrawal.

5.1 Annexation by Developer. Prior to and including the Turnover Date, Developer may submit additional lands to be part of Centra Falls and subject to this Declaration, at Developer's sole discretion. Such additional lands to be annexed may or may not be adjacent to Centra Falls. Except for applicable governmental approvals (if any), no consent to such annexation shall be required from any other party (including, but not limited to, Association, Owners or any Lenders of any portion of Centra Falls, including a Lot, Parcel, or Home). Such annexed lands shall be brought within the provisions and applicability of this Declaration by the recording of an amendment to this Declaration in the Public Records. The amendment shall subject the annexed lands to the covenants, conditions, and restrictions contained in this Declaration as fully as though the annexed lands were described in this Declaration as a portion of Centra Falls. Such amendment may contain additions to, modifications of, or omissions from, the covenants, conditions, and restrictions contained in this Declaration as deemed appropriate by Developer and as may be necessary to reflect the different character, if any, of the annexed lands. Prior to and including the Turnover Date, only Developer may add additional lands to Centra Falls.

5.2 Annexation by Association. After the Turnover Date, and subject to applicable and necessary governmental approvals (if any), additional lands may be annexed with the approval of (i) sixty-six and two-thirds percent (66⅔%) of the Board; and (ii) seventy-five percent (75%) of all of the votes present (in person or by proxy) at a duly noticed meeting of the Members at which a quorum is present as provided in the By-Laws.

5.3 Withdrawal. Prior to and including the Turnover Date, Developer may unilaterally and in Developer's sole discretion withdraw any portions of Centra Falls (or any additions thereto) from the provisions and applicability of this Declaration by the recording of an amendment to this Declaration in the Public Records. The right of Developer to withdraw portions of Centra Falls shall not apply to any Home which has been conveyed to an Owner unless that right is specifically reserved in the instrument of conveyance or the prior written consent of the Owner is obtained. The withdrawal of any portion of Centra Falls shall not require the consent or joinder of any other party (including, but not limited to, Association, Owners, or any Lenders of any portion of Centra Falls). Association shall have no right to withdraw land from Centra Falls.

6. Dissolution.

6.1 Generally. In the event of the dissolution of Association without reinstatement within thirty (30) days, other than incident to a merger or consolidation, any Owner may petition the circuit court of the appropriate judicial circuit of the State of Florida for the appointment of a receiver to manage the affairs of the dissolved Association and to manage the Common Areas in the place and stead of Association, and to make such provisions as may be necessary for the continued management of the affairs of the dissolved Association. In the event Association is dissolved, and any portion of the Surface Water Management System is part of the Common Areas, the Surface Water Management System shall be conveyed to an appropriate agency of local government, and, if not accepted, then the Surface Water Management System shall be dedicated to a similar non-profit corporation. Unless and until an alternate entity meeting the requirements of the SFWMD assumes responsibility, all Owners shall be jointly and severally responsible for operation and maintenance of the Surface Water Management System in accordance with the Permit.

6.2 Applicability of Declaration after Dissolution. In the event of dissolution of Association, Centra Falls and each Home therein shall continue to be subject to the provisions of this Declaration, including, without limitation, the provisions respecting Assessments specified in this Declaration. Each Owner shall continue to be personally obligated to the successors or assigns of Association for Assessments to the extent that Assessments are required to enable the successors or assigns of Association to properly maintain, operate and preserve the Common Areas. The provisions of this Section shall only apply with regard to the maintenance, operation, and preservation

of those portions of Centra Falls which had been Common Areas and continue to be so used for the common use and enjoyment of the Owners.

7. Binding Effect and Membership.

7.1 Term. This Declaration and all covenants, conditions and restrictions contained in this Declaration are equitable servitudes, perpetual and run with the land. Each Owner, by acceptance of a deed to a Home or Lot, and any person claiming by, through or under such Owner (i) agrees to be subject to the provisions of this Declaration and (ii) irrevocably waives any claim and any right to deny, that this Declaration and all covenants, conditions and restrictions contained in this Declaration are not enforceable under the Marketable Record Titles to Real Property Act, Chapter 712 of the Florida Statutes (“**MRTA**”). It is expressly intended that MRTA will not operate to extinguish any encumbrance placed on Centra Falls by this Declaration. It is further expressly intended that no re-filing or notice of preservation is necessary to continue the applicability of this Declaration and the applicability of all covenants, conditions, and restrictions contained in this Declaration. This provision is not subject to amendment except by Developer. Notwithstanding the foregoing, after the Turnover Date, the Association shall take all legal measures it deems necessary to comply with the requirements of MRTA.

7.2 Transfer. The transfer of the fee simple title to a Home, whether voluntary or by operation of law, terminating the Owner’s title to that Home shall terminate the Owner’s rights to the use of and enjoyment of the Common Areas as it pertains to that Home and shall terminate such Owner’s membership in Association. An Owner’s rights and privileges under this Declaration are not assignable separately from a Home. The Owner of each Home is entitled to the benefits of, and is burdened with the duties and responsibilities set forth in, the provisions of this Declaration. All parties acquiring any right, title and interest in and to any Home shall be fully bound by the provisions of this Declaration. In no event shall any Owner acquire any rights that are greater than the rights granted to, and limitations placed upon its predecessor in title pursuant to the provisions of this Declaration. In the event that any Owner desires to sell or otherwise transfer title of his/her/its Home, such Owner shall give the Board at least fourteen (14) days prior written notice of the name and address of the purchaser or transferee, the date on which such transfer of title is to take place, and such other information as the Board may reasonably require. The transferor shall remain jointly and severally liable with the transferee for all obligations of the Owner and the Home pursuant to this Declaration including, without limitation, payment of all Assessments accruing prior to the date of transfer. Until written notice is received as provided in this Section, the transferor and transferee shall be jointly and severally liable for Assessments accruing subsequent to the date of transfer. In the event that upon the conveyance of a Home an Owner fails to reference the imposition of this Declaration on the Home in the deed of conveyance, the transferring Owner shall remain liable for Assessments accruing on the Home from and after the date of conveyance.

7.3 Membership. Upon acceptance of title to a Home, and as more fully provided in the Articles and By-Laws, each Owner shall become a member of Association (a “**Member**”). Membership rights are governed by the provisions of this Declaration, the deed to a Home, the Articles and By-Laws. Membership shall be an appurtenance to, and may not be separated from, the ownership of a Home. Developer rights with respect to the Association are set forth in this Declaration, the Articles and the By-Laws.

7.4 Ownership by Entity. In the event that an Owner is other than a natural person, that Owner shall, prior to occupancy of the Home, designate one or more persons who are to be the occupants of the Home and register such persons with Association. All provisions of this Declaration and the other Association Documents shall apply to both such Owner and the designated occupants.

7.5 Voting Interests. Voting interests in Association are governed by the provisions of the Articles and By-Laws.

7.6 Document Recordation by Owners Prohibited. Neither Association nor any Owner, nor group of Owners, may record any documents that, in any way, affect or restrict the rights of Developer, or conflict with the provisions of this Declaration or any of the other Association Documents.

7.7 Composition of the Board. Developer reserves the right to change, from time to time prior to and including the Turnover Date, the composition of the Board. Without limiting the foregoing, Developer may change

the number of Board members, the effect of a vote by a Board member, or how a Board member is elected or appointed prior to and including the Turnover Date.

7.8 Conflicts. In the event of any conflict among this Declaration, the Articles, the By-Laws or any of the other Association Documents, this Declaration shall control, and the Articles shall take precedence over the By-Laws and the Rules and Regulations, and the By-Laws shall take precedence over the Rules and Regulations.

8. Paramount Rights of Developer.

8.1.1 Notwithstanding anything to the contrary in this Declaration, prior to the Community Completion Date Developer shall have the paramount right, if required, as follows To dedicate, transfer, and/or convey (by absolute conveyance, easement, or otherwise) portions of Centra Falls for various public purposes or for the provision of Telecommunications Systems and/or utilities, or to make any portions of Centra Falls part of the Common Areas, or to create and implement a community development district, special taxing district and/or special lighting district which may include all or any portion of Centra Falls. In addition, the Common Areas of Centra Falls may include decorative improvements and berms. Developer may remove, modify, eliminate or replace these items from time to time in its sole discretion. SALES BROCHURES, SITE PLANS, AND MARKETING MATERIALS ARE CURRENT CONCEPTUAL REPRESENTATIONS AS TO WHAT FACILITIES, IF ANY, WILL BE INCLUDED WITHIN THE COMMON AREAS. DEVELOPER SPECIFICALLY RESERVES THE RIGHT TO CHANGE THE LAYOUT, COMPOSITION, AND DESIGN OF ANY AND ALL COMMON AREAS AT ANY TIME WITHOUT NOTICE IN ITS SOLE DISCRETION.

9. Operation of Common Areas.

9.1 Prior to Conveyance. Prior to the conveyance, identification and/or dedication of the Common Areas to Association as set forth in Section 9.4 of this Declaration, any portion of the Common Areas owned by Developer shall be operated, maintained, repaired, replaced, insured and administered at the sole cost of Association for all purposes and uses reasonably intended, as Developer in its sole discretion deems appropriate. During such period, Developer shall own, operate, and administer the Common Areas without interference from any Owner or Lender of a Home or Parcel or any portion of Centra Falls or any other person or entity whatsoever. Owners shall have no right in or to any Common Areas referred to in this Declaration unless and until same are actually constructed, completed, and conveyed to, operated by, leased by, dedicated to, and/or maintained by Association. The current conceptual plans and/or representations, if any, regarding the composition of the Common Areas are not a guarantee of the final composition of the Common Areas. No party should rely upon any statement contained in this Declaration as a representation or warranty as to the extent of the Common Areas to be owned, operated, leased by, or dedicated to Association. Developer, so long as it controls Association, further specifically retains the right to add to, delete from, or modify any of the Common Areas referred to in this Declaration in its sole discretion and without notice.

9.2 Construction of Common Areas Facilities. Developer has constructed or may construct, from time to time, at its sole cost and expense, certain facilities and improvements as part of the Common Areas, together with equipment and personalty contained therein, and such other improvements and personalty as Developer determines in its sole discretion. Developer shall be the sole judge of the composition of such facilities and improvements. Prior to the Community Completion Date, Developer reserves the absolute right to construct additional Common Areas facilities and improvements within Centra Falls, from time to time, in its sole discretion, and to remove, add to modify and change the boundaries, facilities and improvements now or then part of the Common Areas. Developer is not obligated to, nor has it represented that it will, modify or add to the facilities, improvements, or Common Areas as they are contemplated as of the date of this Declaration. Developer is the sole judge of the foregoing, including the plans, specifications, design, location, completion schedule, materials, size, and contents of the facilities, improvements, appurtenances, personalty (e.g., furniture), color, textures, finishes, or Common Areas, or changes or modifications to any of them.

9.3 Use of Common Areas by Developer. Until the Community Completion Date Developer shall have the right to use any portion of the Common Areas, without charge, for any purpose deemed appropriate by Developer, and to the exclusion of others.

#### 9.4 Conveyance.

9.4.1 Generally. Within ninety (90) days after the Turnover Date, or earlier as determined by Developer in its sole discretion, or as may be required by applicable law, all or portions of the Common Areas may be dedicated by Plats, created in the form of easements, or conveyed by written instrument or by quitclaim deed recorded in the Public Records from Developer to Association. Association shall pay all of the costs of the conveyance. The dedication, creation by easement, or conveyance shall be subject to easements, restrictions, reservations, conditions, limitations, and declarations of record, real estate taxes for the year of conveyance, zoning, land use regulations and survey matters. Association shall be deemed to have assumed and agreed to pay all continuing obligations and service and similar contracts relating to the ownership operation, maintenance, and administration of the conveyed portions of Common Areas and other obligations relating to the Common Areas imposed in this Declaration. Association shall, and does hereby, indemnify and hold Developer harmless on account thereof. Association, by its joinder in this Declaration, hereby accepts such dedication(s) or conveyance(s) without setoff, condition, or qualification of any nature. The Common Areas, personal property and equipment thereon and appurtenances thereto shall be dedicated or conveyed in "AS IS, WHERE IS" condition WITHOUT ANY REPRESENTATION OR WARRANTY, EXPRESSED OR IMPLIED, IN FACT OR BY LAW, AS TO THE CONDITION, FITNESS OR MERCHANTABILITY OF THE COMMON AREAS BEING CONVEYED. THE ASSOCIATION AGREES TO ACCEPT THE COMMON AREAS, PERSONAL PROPERTY, AND EQUIPMENT THEREON AND APPURTENANCES THERETO IN "AS IS, WHERE IS" CONDITION. Notwithstanding the foregoing, any such conveyance or encumbrance of such Common Areas is subject to each Owner's irrevocable ingress and egress easement to his/her/its Home as set forth in this Declaration.

9.4.2 Form of Deed. Each deed of the Common Areas shall be subject to the following provisions:

9.4.2.1 a perpetual non-exclusive easement in favor of governmental agencies for the maintenance and repair of existing road, speed and directional signs, if any;

9.4.2.2 matters reflected in the Plat, if any;

9.4.2.3 perpetual non-exclusive easements in favor of Developer, its successors, and assigns in, to, upon and over all of the Common Areas for the purposes of vehicular and pedestrian ingress and egress, installation of utilities, landscaping and/or drainage, without charge, including, without limitation, the right to use Common Areas for construction vehicles and equipment and sales and marketing purposes. The easements reserved in the deed shall run in favor of Developer, and its employees, representatives, agents, licensees, guests, invitees, successors and/or assigns;

9.4.2.4 all restrictions, reservations, agreements, easements, covenants and other matters of record;

9.4.2.5 in the event that Association believes that Developer shall have failed in any respect to meet Developer's obligations under this Declaration or has failed to comply with any of Developer's obligations under law or that the Common Areas are defective in any respect, Association shall give written notice to Developer detailing the alleged failure or defect. Once Association has given written notice to Developer pursuant to this Section, Association shall be obligated to permit Developer and its agents to perform inspections of the Common Areas and to perform all tests and make all repairs/replacements deemed necessary by Developer to respond to such notice at all reasonable times. Association agrees that any inspection, test and/or repair/replacement scheduled on a business day between 9:00 a.m. and 5:00 p.m. shall be deemed scheduled at a reasonable time. The rights reserved in this Section include the right of Developer to repair or address, in Developer's sole option and expense, any aspect of the Common Areas deemed defective by Developer during its inspections of the Common Areas. Association's failure to give the notice and/or otherwise comply with the provisions of this Section will damage Developer. At this time, it is impossible to determine the actual damages Developer might suffer. Accordingly, if Association fails to comply with its obligations under this Section in any respect, Association shall pay to Developer liquidated damages in the amount of \$250,000.00 which Association and Developer agree is a fair and reasonable remedy and is not a penalty; and



9.4.2.6 a reservation of right in favor of Developer (so long as Developer owns any portion of Centra Falls) to require that Association reconvey all or a portion of the Common Areas conveyed by quitclaim deed in favor of Developer in the event that such property is required to be owned by Developer for any purpose, including, without limitation, the reconfiguration of any adjacent property by replatting or otherwise.

9.5 Operation after Conveyance. After the conveyance or dedication of any portion of the Common Areas to Association, the portion of the Common Areas so dedicated shall be owned, operated, maintained, and administered by Association for the use and benefit of the owners of all property interests in Centra Falls including, but not limited to, Association, Developer, Owners and any Lenders. Notwithstanding the foregoing, subject only to Association's right to grant easements and other interests as provided in this Declaration, Association may not convey, abandon, alienate, encumber, or transfer all or a portion of the Common Areas to a third party without (i) if prior to and including the Community Completion Date, the approval of (a) a majority of the Board; and (b) the consent of Developer, or (ii) if after the Community Completion Date, the approval of (a) sixty-six and two-thirds percent (66 2/3%) of the Board, and (b) seventy-five percent (75%) of all of the votes of Members of Association being first had and obtained.

9.6 Paved Areas. The Common Areas may contain paved areas including, without limitation, paved asphalt as well as brick pavers. Without limiting any other provision of this Declaration, Association is responsible for the maintenance and/or resurfacing of all paved surfaces, including but not limited to, roads, pathways, bicycle paths, parking areas, and sidewalks forming a part of the Common Areas, if any. Although pavement appears to be a durable material, it requires maintenance. Association shall have the right, but not the obligation, to arrange for an annual inspection of all paved surfaces forming a part of the Common Areas by a licensed paving contractor and/or engineer. The cost of such inspection shall be a part of the Operating Costs of Association. Association shall determine annually the parameters of the inspection to be performed, if any. By way of example, and not of limitation, the inspector may be required to inspect the roads and sidewalks forming part of the Common Areas annually for deterioration and to advise Association of the overall pavement conditions including any upcoming maintenance needs. Any patching, grading, or other maintenance work should be performed by a company licensed to perform such work. From and after the Community Completion Date, Association should monitor the roads, sidewalks, parking areas and other paved areas forming the Common Areas monthly to ensure that vegetation does not grow into the asphalt and that there are no eroded or damaged areas that need immediate maintenance. Association shall maintain the paved surfaces located in the exterior perimeter of Townhome Buildings, the cost of such maintenance being part of Operating Costs paid by each Owner through Assessments or as an Individual Assessment as provided in Section 11.6 of this Declaration. Association acknowledges that the paved surfaces may, and most likely will, have wear and tear thereon due to usage, when and if conveyed to Association by Developer.

9.7 Delegation and Managers. Once conveyed or dedicated to Association, the Common Areas and facilities and improvements located thereon shall, subject to the provisions of this Declaration and the document of conveyance or dedication, at all times be under the complete supervision, operation, control, and management of Association. Notwithstanding the foregoing, Association may delegate all or a portion of its obligations under this Declaration and the Association Documents to a licensed manager or professional management company ("Management Company"). Association specifically shall have the right to pay for management services on any basis approved by the Board (including bonuses or special fee arrangements for meeting financial or other goals). Developer, its affiliates and/or subsidiaries shall have the right to manage Association, in which event such manager shall be included in the term "Management Company". Owners and Association acknowledge that it is fair and reasonable to have Developer, its affiliates and/or subsidiaries manage Association. Further, in the event that a Common Area is created by easement, Association's obligations and rights with respect to such Common Area may be limited by the terms of the document creating such easement.

9.8 Use.

9.8.1 Nonexclusive Use. The Common Areas shall be used and enjoyed by the Owners on a non-exclusive basis in common with other persons, entities and corporations (who may, but are not required to be, Members) entitled to use those portions of the Common Areas. Prior to the Community Completion Date, Developer, and thereafter, Association, has the right, at any and all times, and from time to time, to further provide and make the Common Areas available to other individuals, persons, firms, or corporations, as it deems appropriate. The granting of such rights shall not invalidate this Declaration, reduce or abate any Owner's obligations pursuant to

this Declaration, or give any Owner the right to avoid any of the covenants, agreements or obligations to be performed under this Declaration.

9.8.2 Right to Allow Use. Developer and/or Association may enter into easement agreements or other use or possession agreements whereby the Owners, Telecommunications Providers, Association and/or others may obtain the use, possession of, or other rights regarding certain property, on an exclusive or non-exclusive basis, for certain specified purposes. Association may agree to maintain and pay the taxes, insurance, administration, upkeep, repair, and replacement of such property, the expenses of which shall be Operating Costs of the Association. Any such agreement by Association prior to the Community Completion Date shall require the consent of Developer, which may be granted or withheld in Developer's sole discretion. Thereafter, any such agreement shall require the approval of the majority of the Board, which approval shall not be unreasonably withheld or delayed.

9.8.3 Obstruction of Common Areas. No portion of the Common Areas may be obstructed, encumbered, or used by Owners for any purpose other than as permitted by Association.

9.8.4 Assumption of Risk. Without limiting any other provision in this Declaration, each person within any portion of Centra Falls accepts and assumes all risk and responsibility for noise, liability, injury, or damage connected with use or occupancy of any portion of Centra Falls (e.g. Common Areas) including, without limitation, (a) noise from maintenance equipment, (b) use of pesticides, herbicides and fertilizers, (c) view restrictions caused by maturation of trees and shrubbery, (d) reduction in privacy caused by the removal or pruning of shrubbery or trees within Centra Falls, (e) design of any portion of Centra Falls, (f) powerlines, high voltage transmission lines, utility lines, pipelines, and/or natural gas lines running through, adjacent to, or near Centra Falls. Each such person entering any portion of Centra Falls also expressly indemnifies and agrees to defend and hold harmless Developer, Association, Builders, and all their employees, directors, representatives, officers, agents, partners, affiliates and attorneys (in house or out-sourced), (collectively, the "**Indemnified Parties**"), from any and all damages, whether direct or consequential, arising from or related to the person's use of the Common Areas, including attorneys' fees, paraprofessional fees and costs, pre-trial and at all levels of proceedings, including appeals. Without limiting the foregoing, all persons using the Common Areas including, without limitation, the pool, do so at their own risk. BY ACCEPTANCE OF A DEED, EACH OWNER ACKNOWLEDGES THAT CENTRA FALLS MAY CONTAIN WILDLIFE SUCH AS ALLIGATORS, DOGS, RACCOONS, SNAKES, DUCKS, DEER, SWINE, TURKEYS, AND FOXES. DEVELOPER, BUILDERS, AND ASSOCIATION SHALL HAVE NO RESPONSIBILITY FOR MONITORING SUCH WILDLIFE OR NOTIFYING OWNERS OR OTHER PERSONS OF THE PRESENCE OF SUCH WILDLIFE. EACH OWNER AND HIS OR HER GUESTS AND INVITEES ARE RESPONSIBLE FOR THEIR OWN SAFETY AND NEITHER DEVELOPER NOR THE ASSOCIATION SHALL HAVE ANY RESPONSIBILITY OR LIABILITY FOR DAMAGE OR INJURY AS A RESULT OF ANY WILD ANIMALS.

9.8.5 Owner's Obligation to Indemnify. Each Owner agrees to indemnify and hold harmless the Indemnified Parties against all actions, injury, claims, loss, liability, damages, costs and expenses of any kind or nature whatsoever ("**Losses**") incurred by or asserted against any of the Indemnified Parties from and after the date of this Declaration, whether direct, indirect, or consequential, as a result of or in any way related to the Common Areas including, without limitation, use of the lakes and other waterbodies adjacent to or near Centra Falls by Owners, their guests, family members, invitees or agent, or the interpretation of this Declaration and/or exhibits attached to this Declaration and/or from any act or omission of Developer, Builders, Association, or of any of the Indemnified Parties. Should any Owner bring suit against Developer, Builders, Association, or any of the Indemnified Parties for any claim or matter and fail to obtain judgment therein against such Indemnified Parties, such Owner shall be liable to such Indemnified Parties for all Losses, costs and expenses incurred by the Indemnified Parties in the defense of such suit, including attorneys' fees, paraprofessional fees and costs, pre-trial and at all levels of proceedings, including appeals.

9.8.6 Waterbodies. BY ACCEPTANCE OF A DEED TO A HOME OR LOT, EACH OWNER ACKNOWLEDGES THAT THE WATER LEVELS OF WATERBODIES ADJACENT TO CENTRA FALLS MAY VARY. THERE IS NO GUARANTEE BY DEVELOPER, SFWMD, SBDD, OR ASSOCIATION THAT WATER LEVELS WILL BE CONSTANT OR AESTHETICALLY PLEASING AT ANY PARTICULAR TIME; AT TIMES, WATER LEVELS MAY BE NONEXISTENT. Waterbodies may be dry during certain weather

conditions and/or at certain times of the year. Neither Developer, SFWMD, SBDD, nor Association shall not be obligated to erect fences, gates, or walls around or adjacent to any waterbody adjacent to or in the vicinity of Centra Falls. Swimming and boating are not permitted in any waterbody adjacent to or in the vicinity of Centra Falls, and no private docks may be erected within any such waterbody.

#### 9.9 Rules and Regulations.

9.9.1 Generally. Prior to and including the Turnover Date, Developer, and thereafter Association, shall have the right to adopt Rules and Regulations governing the use of the Common Areas and Centra Falls. The Rules and Regulations need not be recorded in the Public Records. The Common Areas shall be used in accordance with this Declaration and Rules and Regulations promulgated under this Declaration.

9.9.2 Developer Not Subject to Rules and Regulations. The Rules and Regulations shall not apply to Developer or to any property owned by Developer, and shall not be applied in a manner which would prohibit or restrict the development Centra Falls or adversely affect the interests of Developer. Without limiting the foregoing, Developer, Builders and/or their respective successors and assigns, shall have the right to: (i) develop and construct commercial uses, Homes, Common Areas, and related improvements within Centra Falls, and make any additions, alterations, improvements, or changes thereto; (ii) maintain sales offices (for the sale and re-sale of (a) Homes and (b) residences and properties located outside of Centra Falls), general offices and construction operations within Centra Falls; (iii) place, erect or construct portable, temporary or accessory buildings or structure within Centra Falls for sales, construction storage or other purposes; (iv) temporarily deposit, dump or accumulate materials, trash, refuse and rubbish in connection with the development or construction of any portion of Centra Falls; (v) post, display, inscribe or affix to the exterior of any portion of the Common Areas or portions of Centra Falls owned by Developer, signs and other materials used in developing, constructing, selling or promoting the sale of any portion Centra Falls including, without limitation, Parcels and Homes; (vi) grow or store plants and trees within, or contiguous to, Centra Falls and use and/or sell excess plants and trees; (vii) excavate fill from Centra Falls or adjacent property by dredge or dragline, and store fill within Centra Falls, and remove and/or sell excess fill, and (viii) undertake all activities which, in the sole opinion of Developer, are necessary for the development and sale of any lands and improvements comprising Centra Falls.

9.10 Public Facilities. Centra Falls may include one or more facilities which may be open and available for the use of the general public. By way of example, there may be a public park, open spaces, or other public facilities within the boundaries of Centra Falls.

9.11 Default by Another Owner. No default by any Owner in the performance of the covenants and promises contained in this Declaration or by any person using the Common Areas or any other act or omission by any of them shall be construed or considered (a) a breach by Developer or Association or a non-defaulting Owner or other person or entity of any of their promises or covenants in this Declaration; or (b) an actual, implied or constructive dispossession of another Owner from the Common Areas; or (c) an excuse, justification, waiver or indulgence of the covenants and promises contained in this Declaration.

9.12 Special Taxing Districts. Centra Falls may be located within a special taxing district(s) created by the County (or proposed to the Board of County Commissioners) for the purpose of providing local improvements and services including, without limitation, street lighting and landscape maintenance. If within a special taxing district, the costs for providing such improvements and services shall be paid by special assessments levied against Homes within such special taxing district. Such special assessments may be collected at the same time and in the same manner as ad valorem taxes. For as long as Developer controls Association, Developer shall have the right, but not the obligation, to dedicate or transfer or cause the dedication or transfer of all or portions of the Common Areas to a special taxing district, or a public agency or authority under such terms as Developer deems appropriate in order to create or contract with special taxing districts and community development districts (or others) for lighting, perimeter walls, entrance features, roads, landscaping, irrigation areas, Surface Water Management Systems, parks, recreational or other services, security or communications, or other similar purposes deemed appropriate by Developer including, without limitation, the maintenance and/or operation of any of the foregoing. As provided in this Declaration, Developer may sign any taxing district petition as attorney-in-fact for each Owner and Association. Each Owner's obligation to pay taxes associated with such district(s) shall be in addition to such Owner's obligation to pay Assessments. Any special taxing district shall be created pursuant to all applicable

ordinances of the City, County and/or all other applicable governing entities having jurisdiction with respect to the same.

9.13 Association's Obligation to Indemnify. Association and Owners each covenant and agree jointly and severally to indemnify, defend and hold harmless Developer and all its respective officers, directors, members, managers, shareholders, representatives, agents, partners, affiliates and any related persons, companies or corporations and their employees from and against any and all claims, suits, actions, causes of action or damages arising from any personal injury, loss of life, or damage to property, sustained on or about the Common Areas, or other property serving Association, and improvements thereon, or resulting from or arising out of activities or operations of Association or Owners, and from and against all costs, expenses, court costs, attorneys' fees and paraprofessional fees (including, but not limited to, attorneys' fees, paraprofessional fees and costs, pre-trial and at all levels of proceedings, including appeals), expenses and liabilities incurred or arising from any such claim, the investigation thereof, or the defense of any action or proceedings brought thereon, and from and against any orders judgments or decrees which may be entered relating thereto. The costs and expense of fulfilling this covenant of indemnification shall be Operating Costs to the extent such matters are not covered by insurance maintained by Association.

9.14 Site Plans and Plats. Centra Falls may be subject to one or more plats (each individually, a "Plat") as may be amended from time to time. The Plat may identify some of the Common Areas within Centra Falls. The description(s) of the Common Areas on a Plat and any dedications by a Plat are subject to change (contingent upon receipt of the appropriate plat approval(s)) and the notes on a Plat are not a guarantee of what facilities will be constructed on such Common Areas. Site plans used by Developer in its marketing efforts illustrate the types of facilities which may be constructed on the Common Areas, but such site plans are not a guarantee of what facilities will actually be constructed. Each Owner should not rely on a Plat or any site plans used for illustration purposes as the Declaration governs the rights and obligations of Developer and Owners with respect to the Common Areas.

10. Maintenance by Association.

10.1 Common Areas. Except as otherwise specifically provided in this Declaration to the contrary, Association shall at all times administer, operate, maintain, repair, replace and insure the Common Areas and all improvements placed thereon, including, without limitation, Common Area landscaping and irrigation. In addition to the other requirements set forth in this Declaration, the Association shall maintain the Common Areas in a manner consistent with this Declaration.

10.2 Canvas Canopies and Awnings. Association shall be responsible for the removal of all canvas canopies and awnings, if any, including, but not limited to, mailbox and entrance canopies and awnings, if any, located within the Common Areas, as well as canvas canopies and awnings located on any Townhome Building (other than those installed by Owners with ARC approval) in the event winds are forecasted to exceed fifty (50) miles per hour. The expense of such removal shall be part of Operating Costs of Association. Additionally, under the same wind conditions, each Owner shall be responsible, at its sole cost and expense, for the removal of all canvas canopies and awnings located within its respective Home and/or yard to the extent not an obligation of the Association.

10.3 Mailboxes. Mailboxes for Homes shall be located in a central location within Centra Falls. Owners acknowledge, understand and agree that the mailbox for the Home not be located adjacent to or near the Home or the Townhome Building in which the Home is located. Association shall be responsible for maintaining all mailboxes located throughout Centra Falls.

10.4 Drainage. To the extent it is not the responsibility of Owners and unless otherwise provided in this Declaration, Association shall at all times maintain the drainage systems and drainage facilities within Centra Falls and comply with the terms of any drainage easement(s) and permit(s) affecting or benefitting Centra Falls. The Indemnified Parties shall not have any liability whatsoever to Owners, guests, tenants, or invitees in connection with the drainage easements and drainage facilities located in, near or adjacent to Centra Falls. Each Owner, for itself and its guests, tenants, residents, Lessees and invitees releases Developer and Association from any liability in connection therewith.

10.5 Maintenance of Lawn and Landscaping. Except as otherwise provided in this Declaration, Association shall be responsible for maintaining all exterior landscaping within all Common Areas and of each Home, Lot and Parcel including cutting, edging and fertilizing the grass and maintaining the trees, shrubs and hedges. Association may also weed the plant bed(s) of each Home, provided that the Owner of such Home has not modified the plant bed(s) from the original plant bed(s) installed by Developer (with ARC approval). In the event an Owner modifies the plant bed(s) as initially installed by Developer with ARC approval, then such Owner shall be solely responsible for maintenance of such plant bed(s) regardless of the location of such plant bed(s). Association shall be responsible to replace any dead, dying, diseased or removed landscaping within a Lot, Parcel or yard of a Home other than landscaping installed by an Owner. Each Owner hereby grants Association an easement over and across his/her/its Lot or Parcel for the purpose of maintaining landscaping as provided in this Declaration. Each Owner is specifically responsible for maintaining all landscaping and improvements added or installed by an Owner with ARC approval. EACH OWNER ACKNOWLEDGES THAT SOME HOMES MAY NOT HAVE YARDS, AND OTHER HOMES MAY HAVE YARDS THAT ARE LARGER OR SMALLER THAN THE YARDS OF OTHER HOMES. NOTWITHSTANDING THE FOREGOING, ALL LAWN AND LANDSCAPE MAINTENANCE EXPENSES SHALL BE DEEMED PART OF THE OPERATING COSTS OF ASSOCIATION, AND EACH OWNER SHALL PAY AN EQUAL SHARE OF THE COSTS FOR LAWN AND LANDSCAPE MAINTENANCE. IN ADDITION, OWNERS ACKNOWLEDGE THAT THE YARDS OR PORTIONS OF THE YARD OF A HOME MAY BE PART OF THE COMMON AREAS.

10.6 Sprinkler Systems and Irrigation. Association shall be responsible to maintain the sprinkler system throughout Centra Falls, including Common Areas, Lots and Parcels. Association shall be responsible to irrigate the Common Areas and all Lots and Parcels within Centra Falls, the expense of which shall be part of Operating Costs of the Association.

10.7 Street Lighting. Association shall at all times maintain, repair, and replace any street lighting located within Centra Falls, including, but not limited to, street lighting which lies within one or more Lots or Parcels. Association shall be responsible for all electricity costs associated with street lighting within Centra Falls. Association may enter into a street lighting agreement with FPL or other utility company for, among other things, maintenance, repair, and replacement of street lights.

10.8 Private Roads. All roads within Centra Falls which are privately owned shall be maintained by the Association.

10.9 Public Roads. It is possible that the Association may maintain the medians and swales of public roads pursuant to an agreement with the appropriate governmental entities. The costs of such maintenance by Association shall be part of Operating Costs, and the Association shall maintain such medians and swales of public roads consistent with the City's standards.

10.10 Party Roofs. Association shall be responsible to repair, replace, and maintain the roof of each Home within Centra Falls and the costs of the same shall be charged as an Individual Assessment to each Owner whose roof is repaired, replaced or maintained in accordance with this Section to the extent Reserves have not been collected to cover such costs.

10.11 Painting. Association shall be responsible for painting the exterior of each Townhome Building within Centra Falls at such time as Association deems such painting necessary in its sole discretion, and the costs of the same, to the extent Reserves have not been collected to cover such costs, shall be charged as an Individual Assessment to each Owner of a Home located in the Townhome Building that is repainted in accordance with this Section, or as a Special Assessment to all Owners if all Townhome Buildings are repainted at the same time. In addition, the exterior walls of each Townhome Building shall be uniformly maintained by Association including, but not limited to, pressure cleaning.

10.12 Driveways and Walkways. Association is responsible for pressure cleaning, herbicide treatment, and removal of weeds growing in joints in driveways and walkways providing access to Homes.

10.13 Perimeter Walls, Wing Walls, Sign Walls and Fences. Association shall be responsible for maintaining any perimeter and/or wing walls and/or perimeter fences of Centra Falls, if any, even if such walls

and/or fences lie within one or more Lots. Association shall also be responsible for maintaining any other walls and/or fences located within the Common Areas.

10.14 Entrance Features. Association shall be responsible for maintaining any entrance features and any sign wall(s), if any, located in the entrance way or median of the entrance road to Centra Falls.

10.15 Surface Water Management System.

10.15.1 Duty to Maintain. The Surface Water Management System within Centra Falls will be owned, maintained, repaired and operated by the Association as permitted by the SFWMD and/or SBDD and in a manner that complies with the Permit and any applicable ordinances, rules or regulations of the City and/or County, and the Agreement. The costs of the operation and maintenance of the Surface Water Management System shall be part of Operating Costs of the Association. Maintenance of the Surface Water Management System shall mean the exercise of practices which allow the systems to provide drainage, water storage, treatment, conveyance or other surface water or storm water management capabilities as permitted by SFWMD and/or SBDD and the City and/or County. The Association shall be responsible for such maintenance and operation of the Surface Water Management System facilities, including all inlets, ditches, swales, culverts, water control structures, retention and detention areas, ponds, lakes, flood plain compensation areas, and any associated buffer areas, and mitigation areas (whether or not located within Centra Falls). Any repair or reconstruction of the Surface Water Management System shall be as permitted or, if modified, as approved by SFWMD and/or SBDD and the City and/or County. SFWMD and/or SBDD and the City and/or County have the right to take enforcement action, including a civil action for an injunction and penalties against Association to compel it to correct any outstanding problems with the Surface Water Management System facilities or in mitigation or conservation areas, if any, under the responsibility or control of Association. In the event the SFWMD or SBDD determines that the Surface Water Management System facilities within Centra Falls are not being properly maintained and repaired by Association, the SFWMD and/or SBDD shall have the right, but not the obligation, to maintain and repair such system and assess the Association any and all costs incurred in connection with such maintenance and repair. Association shall accept any and all transfer of permits from Developer, including the Permit. Association shall cooperate with the Developer with any applications, certifications, documents, or consents required to effectuate any such transfer of permits, including the Permit, to the Association. In addition, to the extent applicable, the Developer shall have the right to assign to Association any of its continuing obligations and responsibility under the Agreement, and the Association shall accept such assignment, cooperate with the Developer to effectuate such assignment, and assume and fulfill such obligations and responsibilities after such assignment.

10.15.2 Construction. Each Builder and Owner within Centra Falls 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 SFWMD and/or SBDD. No structure of any kind shall be constructed or erected within, nor shall any Owner in any way change, alter, impede, revise or otherwise interfere with the flow and the volume of water in any portion of any drainage areas of the Surface Water Management System, nor shall any grading, alteration, or other modifications to these areas be made without the prior written permission of the Association, any governmental entity having jurisdiction, SFWMD and SBDD, as applicable.

10.15.3 Easements. Association shall have a perpetual non-exclusive easement over, under and across all areas of the Surface Water Management System including, but not limited to Lots, to the extent that any Surface Water Management System facilities are located on, in or under any Lot or Lots, for access to operate, maintain, or repair the Surface Water Management System. By this easement, Association shall have the right to enter upon any portion of any Lot which is a part of or adjacent to the Surface Water Management System to operate, maintain or repair the Surface Water Management System as required by the Permit and/or Agreement. Additionally, Association shall have a perpetual non-exclusive easement for drainage over the entire Surface Water Management System. No person shall alter the drainage flow of the Surface Water Management System, including buffer areas or swales, without the prior written approval of the ARC, SFWMD and SBDD and, if required, the City and/or County. The right of ingress and egress to the Surface Water Management System, and easements for maintenance and landscape purposes, are hereby specifically reserved and created in favor of Developer, the Association, appropriate governmental permitting agencies, SFWMD, SBDD and/or any appropriate governmental or quasi-governmental agency that may reasonably require such ingress and egress.

10.15.4 Disturbance of Drainage Areas. No Lot shall be increased in size by filling in any drainage areas or other portion of the Surface Water Management System. No Owner shall fill, dike, rip-rap, block, divert or change the established drainage areas or the Surface Water Management System without the prior written consent of the Association, SFWMD and/or SBDD (as applicable), and any appropriate governmental permitting agency.

10.15.5 Removal of Improvements. Any wall, fence, paving, planting or other improvement which is placed by an Owner (with ARC approval) within a drainage area, drainage easement or Surface Water Management System including, but not limited to, easements for maintenance or ingress and egress access, shall be removed, if required by the Association, SFWMD, SBDD, and/or any appropriate governmental authority, the cost of which shall be paid for by such Owner as an Individual Assessment.

10.15.6 Amendments Affecting the Surface Water Management System. Any proposed amendment to the Association Documents which will affect the Surface Water Management System, including any the drainage systems and facilities within Centra Falls and the water management portions of the Common Areas, must have the prior written approval of the SFWMD and/or SBDD, as applicable. Association shall submit to SFWMD and/or SBDD, as applicable, any proposed amendment to the Association Documents which will affect the Surface Water Management System, and SFWMD and/or SBDD, as applicable, shall inform the Association whether the amendment requires modification of the Permit. If a modification of the Permit is necessary, once Association receives the modification to the Permit and any condition to the Permit, both shall be attached as an exhibit to an amendment to this Declaration. Association's registered agent shall maintain copies of all Surface Water Management System permits, including the Permit, and correspondence respecting such permits, and any future SFWMD and/or SBDD permit actions shall be maintained by Association's registered agent for the Association's benefit.

10.15.7 SBDD Agreement. To the extent applicable, all obligations under the Agreement will be assigned to and/or the responsibility of Association, and the Association shall indemnify and hold Developer harmless from any liability, costs and expenses which may result or arise under the Agreement after assignment to the Association, and all costs and expenses incurred by the Association as a result of fulfilling the obligations and responsibilities under the Agreement shall be part of Operating Costs. To the extent applicable, Association shall be responsible for maintaining the Drainage System, Conservation Easement, Littoral Shelf Areas, and Upland Buffer Areas, all as defined in the Agreement, to the extent within Centra Falls or required by the Agreement. Association shall pay SBDD all amounts which may be due to SBDD as a result of expenses incurred by SBDD arising out of the Agreement. If and as required by the Agreement and/or SBDD, Association shall assign its lien rights to SBDD in the event the Association fails and/or refuses to collect and/or pay any monies which may be due to SBDD as a result of expenses incurred by SBDD to enforce and/or arising out of the Agreement.

10.16 Adjoining Areas. Except as otherwise provided in this Declaration, Association shall also maintain those drainage areas, swales, and landscape areas that are within the Common Areas and immediately adjacent to a Home, if any, provided that such areas are readily accessible to Association.

10.17 Negligence. The expense of any maintenance, repair or construction of any portion of the Common Areas necessitated by the negligent or willful acts of an Owner, or persons utilizing the Common Areas, through or under an Owner, shall be borne solely by such Owner and the Home and/or Lot owned by that Owner shall be subject to an Individual Assessment for that expense. By way of example, and not of limitation, an Owner shall be responsible for the removal of all landscaping and structures placed within easements or Common Areas without the prior written approval of Association.

10.18 Right of Entry. Developer and Association are granted a perpetual and irrevocable easement over, under and across Centra Falls for the purposes expressed in this Declaration, including, without limitation, for inspections to ascertain compliance with the provisions of this Declaration, and for the performance of any right, obligation, maintenance, alteration or repair which it is entitled or required to exercise or perform. Without limiting the foregoing, Developer specifically reserves easements for all purposes necessary to comply with any governmental requirement or to satisfy any condition that is a prerequisite for a governmental approval. By way of example, and not of limitation, Developer may construct, install, maintain, repair, alter, replace and/or remove

improvements, landscaping, utilities, and/or structures on any portion of Centra Falls if Developer is required to do so in order to obtain the release of any bond posted with any governmental agency.

10.19 Maintenance of Property Owned by Others. Association shall, if designated by Developer (or by Association after the Community Completion Date) by amendment to this Declaration (subject to the general restrictions on Amendments set forth in Section 4.1 of this Declaration) or by other notice or direction, maintain vegetation, landscaping, sprinkler system, community identification features and/or other areas or elements designated by Developer (or by Association after the Community Completion Date) upon areas which are within or outside of Centra Falls. Such areas may abut, or be proximate to, Centra Falls, and may be owned by, or be dedicated to, others including, but not limited to, a utility, governmental or quasi-governmental entity, so as to enhance the appearance of Centra Falls. These areas may include (by way of example and not limitation) swale areas, landscape buffer areas, berm areas or median areas within the right-of-way of public streets, roads, drainage areas, community identification or entrance features, community signage or other identification and/or areas within canal rights-of-ways or other abutting waterways.

11. Maintenance by Owners.

11.1 Standard of Maintenance. All lawns, landscaping and sprinkler systems and any property, structures, improvements, and appurtenances not maintained by Association shall be well-maintained and kept in first class, good, safe, clean, neat and attractive condition consistent with the general appearance of Centra Falls by the Owner of each Home. Each Owner is specifically responsible for maintaining all grass, landscaping and improvements added by Owner with ARC prior written approval, which may be granted or withheld in the sole discretion of the ARC.

11.2 Enclosed Yard and/or Common Areas. If an Owner has enclosed the yard of or adjacent to a Home, or any portion thereof, with ARC prior written approval, and has blocked access to any portion of the yard of or adjacent to a Home or other Common Areas that are otherwise the maintenance responsibilities of the Association, then such Owner must maintain any portion of the yard and Common Areas that are no longer readily accessible to the Association. The foregoing shall not be deemed to permit the making of any such enclosure. By acceptance of a deed to a Home, each Owner agrees to not unreasonably interfere with the Association's rights to enter the yard of a Home in order to perform the maintenance and other obligations and responsibilities of the Association set forth in this Declaration. Each Owner shall be responsible for maintaining any fencing within the yard of his/her/its Home other than a perimeter fence or wall (if any).

11.3 Weeds and Refuse. No weeds, underbrush or other unsightly growth shall be permitted to be grown or remain upon any Home. No refuse or unsightly objects shall be allowed to be placed or remain upon any Home or the yard of any Home. Although Association has the responsibility to remove weeds growing in joints in driveways and walkways, Owners shall be responsible for such weeding in between the times that Association does such weeding.

11.4 Pest Control. Each Owner shall be responsible for extermination and other pest control for Homes including, but not limited to, termite inspections and termite treatments (if necessary). In the event an Owner of a Home obtains a termite inspection indicating that the entire Townhome Building in which the Home is located must be treated, the Owners of the other Homes in the Townhome Building shall cooperate so that the necessary termite treatment can be completed including, but not limited to, allowing access to the Home necessary for the termite treatment and vacating the Home if deemed necessary for safety purposes, and the cost of such treatment shall be shared equally by the Owners of Homes within the Townhome Building.

11.5 Outdoor Illumination. Each Owner shall be responsible to maintain, repair and replace the light bulbs located on the exterior of Homes, including lamp posts, if any, whether operated by photoelectric cells or otherwise.

11.6 Driveways and Walkways.

11.6.1 The driveway of or adjacent to the garage of each Home and the walkway(s) adjacent to and providing access to each Home shall be for the exclusive use of the Home to which the driveway and/or



walkway(s) provide access. Unless otherwise provided for in this Declaration, the Association shall be responsible to maintain and repair, as necessary, and whether ordinary or extraordinary, the driveway and walkway(s) serving a Home, including, but not limited to pressure cleaning, herbicide treatment, and removal of weeds growing in joints in driveways and walkways as needed, the cost of which shall be part of Operating Costs or, in the event of Substantial Damage to a driveway or walkway requiring complete repair or replacement of the driveway or walkway, Association shall be responsible for such complete repair and replacement, the cost of which shall be charged as an Individual Assessment to each Owner whose driveway or walkway is repaired or replaced by the Association.

11.6.2 BY ACCEPTANCE OF A DEED TO A HOME, EACH OWNER ACKNOWLEDGES AND AGREES THAT A PORTION OF THE DRIVEWAYS AND OTHER PARKING AREAS, IF ANY, MAY BE LOCATED BELOW THE FEDERAL FLOOD PLAIN. IN THE EVENT OF FLOODING, ANY AUTOMOBILE AND/OR PERSONAL PROPERTY STORED AND/OR PARKED THEREIN IS SUSCEPTIBLE TO WATER DAMAGE. BY ACQUIRING TITLE TO, OR TAKING POSSESSION OF, A HOME, EACH OWNER, FOR SUCH OWNER AND THE OWNER'S TENANTS, GUESTS, AND INVITEES, HEREBY EXPRESSLY ASSUMES ANY RESPONSIBILITY FOR LOSS, DAMAGE OR LIABILITY RESULTING THEREFROM.

11.6.3 BY ACCEPTANCE OF A DEED TO A HOME, EACH OWNER ACKNOWLEDGES AND AGREES THAT THE DRIVEWAY PROVIDING ACCESS TO A HOME MAY BE A SHORT DRIVEWAY AND MAY NOT BE LONG ENOUGH TO ACCOMMODATE THE PARKING OF VEHICLES. Parking of any vehicles in the driveway providing access to a Home is prohibited if the vehicle is too long to fit within the driveway.

11.7 Water and Sewer Lines. Unless otherwise provided in this Declaration, the water and sewer lines providing water and sewer service to a Home (other than the irrigation system) shall be maintained, repaired and replaced by the Owner(s) of the Home(s) to which such water and sewer lines provide service.

11.8 Right of Association to Enforce. Each Owner grants Association an easement over his or her Home for the purpose of insuring compliance with the requirements of this Declaration, including this Section 11. In the event an Owner does not comply with this Declaration, Association may, but is not obligated to, perform the necessary maintenance and charge the costs thereof plus \$25.00 (or such other amount determined by the Board in its sole discretion, subject to the limitations contained in applicable law, if any) to the non-complying Owner as an Individual Assessment or otherwise. Association shall have the right to enforce the maintenance standards in this Declaration by all necessary legal action. In the event that Association is the prevailing party with respect to any such litigation, it shall be entitled to recover all of its attorneys' fees, paraprofessional fees, and costs, pre-trial and at all levels of proceedings, including appeals.

## 12. Party Walls.

12.1 General Rules of Law to Apply. To the extent not inconsistent with the provisions of this Section, the general rule of law regarding Party Walls and liability for personal damage due to negligence or willful acts or omissions shall apply to all Party Walls within Centra Falls which are built by Developer as part of the original construction of the Homes and any replacement thereof. In the event any portion of any structure or facility, as originally constructed by Developer, including without limitation, any Party Wall, shall protrude over an adjoining Home, it shall be deemed that such Owners have granted perpetual easements to the adjoining Owner or Owners for continuing maintenance and use of the protruding structure, facility, projection or Party Wall. The foregoing shall also apply to any replacements of any Party Walls. The foregoing conditions shall be perpetual in duration and shall not be subject to amendment of this Declaration.

### 12.2 Sharing of Repair, Replacement and Maintenance for Party Walls.

12.2.1 Generally. The cost of reasonable repair and/or maintenance of Party Walls (other than painting of exterior Party Walls, if any) shall be shared equally by the Owners of the Homes sharing such improvements without prejudice, subject however, to the right of any Owner to call for a larger contribution from the other under any rule of law regarding liability for negligent or willful acts or omissions.

12.2.2 Failure to Contribute. In the event that an Owner shall fail or refuse to pay his/her/its pro rata share of costs of repair, maintenance or replacement of a Party Wall (whether or not through his/her/its own fault or the failure of his/her/its insurance company to pay any claim), then and in that event, the Owner advancing monies therefore shall have a right to file a claim of lien for such monies advanced in the Public Records and shall have the right to foreclose such lien in accordance with the same procedural requirements as now provided for in Florida Statutes for foreclosure of a construction lien; provided, however, such claim of lien shall be filed within ninety (90) days from the date repairs or replacements are made to Party Wall and suit thereon shall be commenced one (1) year from the date such lien is filed. Notwithstanding the foregoing, Association shall have the right, but not the obligation, to advance monies for the repair, replacement and/or maintenance of Party Wall(s) and charge the responsible Owner(s) an Individual Assessment for such Owner's pro rata share of the costs.

12.2.3 Alterations. The Owner of a Home sharing a Party Wall with an adjoining Home shall not cut windows or other openings in the Party Wall, nor make any alterations, additions or structural changes in the Party Wall without the prior joint agreement of all of the Owners sharing the Party Wall, prior written approval of the ARC, and prior approval from all governmental authorities having jurisdiction.

12.2.4 Weatherproofing. Notwithstanding any other provisions of this Declaration, an Owner who by such Owner's negligent or willful act causes a Party Wall to be exposed to the elements shall bear the whole cost of fixing (or, if necessary, replacing) the Party Wall and any damage caused by such act and the furnishing of the necessary protection against such elements.

12.2.5 Easements. Association and each Owner sharing a Party Wall shall have all easement rights reasonably necessary to perform the obligations contained herein over the Homes sharing the Party Wall.

### 13. Party Roofs.

13.1 General Rules of Law to Apply. To the extent not inconsistent with the provisions of this Section, the general rule of law regarding Party Roofs and liability for personal damage due to negligence or willful acts or omissions shall apply to all Party Roofs within Centra Falls that are built by Developer as part of the original construction of the Homes and any replacement thereof. In the event any portion of any structure or facility, as originally constructed by Developer, including, without limitation, any Party Roof, shall protrude over an adjoining Home, it shall be deemed that such Owners have granted perpetual easements to the adjoining Owner or Owners for continuing maintenance and use of the protruding structure, facility, projection, or Party Roof. The foregoing shall also apply to any replacements of Party Roofs. The foregoing conditions shall be perpetual in duration and shall not be subject to amendment of this Declaration.

#### 13.2 Sharing of Repair, Replacement and Maintenance for Party Roofs.

13.2.1 Generally. Association shall repair and maintain Party Roofs, the cost of which shall be shared equally by the Owners of the Homes sharing such Party Roof without prejudice and will be billed to such Owners as an Individual Assessment to the extent that Reserves have not been collected for such repairs and maintenance, subject, however, to the right of any Owner to call for a larger contribution from the other(s) under any rule of law regarding liability for negligent or willful acts or omissions. In the event insurance proceeds are available to pay the cost of repair, maintenance or replacement of Party Roofs, the balance shall be paid prorata by Owner as set forth below.

13.2.2 Alterations. Subject to applicable building codes, the Owner of a Home sharing a Party Roof with an adjoining Home shall not make any alterations, additions or structural changes in the Party Roof without the prior written consent of the ARC and all governmental authorities having jurisdiction.

13.2.3 Failure to Contribute. In the event that an Owner shall fail or refuse to pay his/her/its pro rata share of costs of repair, maintenance or replacement of a Party Roof (whether or not through his/her/its own fault or the failure of his/her/its insurance company to pay any claim), then and in that event, the Owner advancing monies therefore shall have a right to file a claim of lien for such monies advanced in the Public Records and shall have the right to foreclose such lien in accordance with the same procedural requirements as now provided for in Florida Statutes for foreclosure of a construction lien; provided, however, such claim of lien shall be filed within

ninety (90) days from the date repairs or replacements are made to Party Roof and suit thereon shall be commenced one (1) year from the date such lien is filed. Notwithstanding the foregoing, Association shall have the right, but not the obligation, to advance monies for the repair, replacement and/or maintenance of Party Roof(s) and charge the responsible Owner(s) an Individual Assessment for such Owner's pro rata share of the costs.

13.2.4 Emergency Repairs . Notwithstanding Association's responsibility to maintain and repair Party Roofs as provided in this Section 13.2, Owners shall be responsible for temporary repairs to Party Roofs necessary to prevent injury, loss of life, imminent collapse of a roof or structure, or other damage to a structure ("Emergency Repairs"). Emergency Repairs shall include repairs necessary to make a Home or Townhome Building safe and/or to prevent further damage or danger and are not intended to be permanently incorporated into the structure. For illustrative purposes only, items or damage that constitute Emergency Repairs may include, without limitation, temporary roof repairs to avoid water or other damage. The cost of Emergency Repairs shall be shared equally by Owners of sharing such improvements without prejudice, subject, however, to the right of an Owner to call for a larger contribution from the other Owner(s) under any rule of law regarding liability for negligence or willful acts or omissions. In the event that an Owner fails or refuses to pay his/her/its pro rata share of costs for Emergency Repairs (whether or not through his or her own fault or the failure of his/her/its insurance company to pay any claim), then and in that event, the Owner advancing monies therefore shall have the right to file a claim of lien in the Public Records for such monies advanced and shall have the right to foreclose such lien in accordance with the same procedural requirements as now provided for in Florida Statutes for foreclosure of a construction lien; provided, however, such claim of lien shall be filed within ninety (90) days from the date repairs, replacements and/or maintenance are made to the Party Roof and the suit thereon shall be commenced one (1) year from the date such lien is filed. Notwithstanding the foregoing, Association shall have the right, but not the obligation, to advance monies for the repair, replacement and/or maintenance of Party Roof(s) and charge the responsible Owner(s) an Individual Assessment for such Owner's pro rata share of the costs.

13.3 Easements. Each Owner sharing a Party Roof and Association shall have all easement rights reasonably necessary to perform the obligations contained in this Declaration over the Homes sharing the Party Roof.

14. Use Restrictions. Each Owner must comply with the following.

14.1 Applicability. Developer shall have the right (but not the obligation) to exempt some or all of Centra Falls from the provisions of this Section 14. Subject to the foregoing right of the Developer, the provisions of this Section 14 shall apply to all of the Properties within Centra Falls and the use thereof, but shall not apply to the Developer or portions of the Properties within Centra Falls owned or leased by the Developer.

14.2 Alterations and Additions. No material alteration, addition or modification to a Parcel, Lot or Home or other improvement or structure or material change in the appearance thereof shall be made without the prior written approval thereof being first had and obtained from the ARC as required by this Declaration.

14.3 Animals. No animals of any kind shall be raised, bred or kept within Centra Falls for commercial purposes. Association may prohibit breeds of dogs that the Board considers dangerous in its sole discretion. Otherwise, Owners and occupants of Homes may keep up to a maximum of three (3) domestic cats, dogs or combination thereof per Home (as permitted by County and City ordinances or other governmental agencies), and otherwise in accordance with the Rules and Regulations established by the Board from time to time. Other domesticated pets may be kept in reasonable numbers; however, the total number of pets or animals in a Home may not exceed the number permitted by the City, County, and/or other governmental agencies. Dogs of an aggressive and/or vicious nature including, but not limited to, those commonly referred to as "pit bulls", must be registered with and meet all requirements of the City, County, and all other applicable governmental agencies. Notwithstanding the foregoing, pets and animals may be kept or harbored in a Home only so long as such pets or animals do not cause or are the source of annoyance, nuisance, or disturbance to any other Owner or occupant. A determination by the Board, in its sole discretion, that an animal or pet kept or harbored in a Home is a nuisance shall be conclusive and binding on all parties. All pets shall be walked on a leash. No pet or animal shall be permitted outside a Home unless such pet is kept on a leash no longer than six (6) feet or within an enclosed portion of the yard of a Home as approved by the ARC. No pet or animal shall be "tied out" on the exterior of the Home or in the Common Areas, or left unattended in a yard or on a balcony, courtyard, porch, or patio. No dog runs or enclosures shall be permitted on

any Home, Lot or Parcel. No wildlife, poultry or livestock shall be raised, bred or kept within Centra Falls. The ability to have and keep an animal or pet is a privilege, not a right, and the Board is empowered to order and enforce the removal of any animal or pet which becomes a nuisance or source of annoyance to other residents of Centra Falls or in any way causes damage to property. When notice of removal of any pet or animal is given by the Board to an Owner or resident, the pet or animal shall be removed by such Owner or resident within forty-eight (48) hours of the giving of the notice. All pets and animals shall defecate and urinate only in the "pet walking" areas within Centra Falls designated for such purpose, if any, or on that Owner's Home or Lot. The person walking the pet or animal or the Owner shall immediately clean up all matter created by the pet or animal. Each Owner shall be responsible for the activities of its pet(s) and animal(s). Notwithstanding anything to the contrary, seeing-eye dogs shall not be governed by the restrictions contained in this Section. Neither the Board nor Association shall be liable for any personal injury, death or property damage resulting from a violation of the foregoing, and any occupant of a Home committing such violations shall fully indemnify and hold harmless the Board, the Developer, and Association. Any landscaping damage or other damage to the Common Areas caused by an Owner's pet or animal shall be promptly repaired by such Owner. Association retains the right to effect such repairs and charge the Owner therefore.

14.4 Artificial Vegetation. No artificial grass, plants or other artificial vegetation, rocks or other landscape devices shall be placed or maintained upon the exterior portion of any Home, Lot or Parcel, without the prior written approval by the ARC.

14.5 Cars and Trucks.

14.5.1 Parking. Owners' vehicle(s) shall be parked in the garage or driveway of or providing access to the Owner's Home, and shall not block the sidewalk or protrude into an alley or roadway. No vehicles of any nature shall be parked on any portion of Centra Falls or a Lot or Parcel except on the surfaced parking area thereof and in marked parking spaces and shall not block or protrude into any portion of any roadways, alleys, or sidewalks, if any. On-street parking within Centra Falls is permitted only within marked parking spaces with the exception of construction, service and delivery vehicles which are exempt from this provision for such period of time as is reasonably necessary to provide service or make a delivery. All guests will be required to park outside of Centra Falls to the extent that the driveway of a Home is not available for guest parking and to the extent that no guest parking spaces, if any, are available. Vehicles used in business for the purpose of transporting goods, equipment and the like, or any trucks or vans which are larger than three-quarter (3/4) ton shall be parked in the Owner's driveway or in guest parking spaces, if any, and such parking shall be limited to the period of delivery being made to a Home. Recreational vehicles, personal street vans, personal trucks of three-quarter (3/4) ton capacity or smaller, and personal vehicles that can be appropriately parked within the garage of a Home may be parked in Centra Falls, provided, however, recreational vehicles must park within the garage of a Home.

14.5.2 Repairs and Maintenance of Vehicles. No vehicle which cannot operate on its own power shall remain on Centra Falls for more than twelve (12) hours, except in the garage of a Home. No repair or maintenance, except emergency repair, of vehicles shall be made within Centra Falls, except in the garage of a Home. No vehicles shall be stored on blocks. No tarpaulin covers on vehicles shall be permitted anywhere within the public view.

14.5.3 Prohibited Vehicles. No commercial vehicle, limousines, boat, trailer including, but not limited to, boat trailers, house trailers, and trailers of every other type, kind or description, or camper, may be kept within Centra Falls except in the garage of a Home. The term commercial vehicle shall not be deemed to include law enforcement vehicles or utility vehicles (*i.e.*, Broncos™, Blazers™, Escalades™, Suburbans™, Explorers™, Hummers™, Navigators™, etc.) or clean "non-work" vehicles such as pick-up trucks, vans, or cars if they are used by the Owner on a daily basis for normal transportation. Notwithstanding any other provision in this Declaration to the contrary, the foregoing provisions shall not apply to construction vehicles in connection with the construction, improvement, installation, or repair by Developer or Builder of Homes, Common Areas, or any other Centra Falls facility. No vehicles displaying commercial advertising shall be parked within the public view. No vehicles bearing a "for sale" sign shall be parked within the public view anywhere on Centra Falls. For any Owner who drives an automobile issued by the County, City or other governmental entity (*i.e.*, police cars), such automobile shall not be deemed to be a commercial vehicle and may be parked in the garage or driveway of the Home. No vehicle shall be used as a domicile or residence either temporarily or permanently. No vehicle with expired registration or expired

license plates or flat tires may be kept within public view anywhere within Centra Falls. Subject to applicable laws and ordinances, any vehicle parked in violation of these and other restrictions contained in this Declaration or in the Rules and Regulations may (without obligation) be towed by the Association at the sole expense of the owner of such vehicle if such vehicle remains in violation for a period of 24 hours from the time a notice of violation is placed on the vehicle. The Association shall not be liable to the owner of such vehicle for trespass, conversion, or otherwise, nor guilty of any criminal act, by reason of such towing and once notice is posted, neither its removal, nor the failure of the owner to receive it for any reason, shall be grounds for relief of any kind. An affidavit of the person posting the aforesaid notice stating that it was properly posted shall be conclusive evidence of proper posting. Notwithstanding the foregoing, each Owner acknowledges that such Owner and his/her/its family, guests, tenants and invitees shall abide by all parking regulations issued by the local governing authority having jurisdiction.

14.6 Casualty Destruction to Improvements. In the event that a Home or other improvement is damaged or destroyed by casualty loss or other loss, then within a reasonable period of time after such incident, the Owner thereof shall either commence to rebuild or repair the damaged Home or improvement and diligently continue such rebuilding or repairing until completion, or properly clear the damaged Home or improvement and restore or repair the Home as set forth in Section 16 of this Declaration and as approved by the ARC. As to any such reconstruction of a destroyed Home or improvements, the same shall only be replaced as approved by the ARC.

14.7 Commercial Activity. Except for normal construction activity, sale, and re-sale of a Home, sale or re-sale of other property owned by Developer, and administrative offices of Developer or Builders, no commercial or business activity shall be conducted in any Home within Centra Falls. Notwithstanding the foregoing, and subject to applicable statutes and ordinances, an Owner may maintain a home business office within a Home for such Owner's personal use; provided, however, business invitees, customers, and clients shall not be permitted to meet with Owners in Homes unless the Board provides otherwise in the Rules and Regulations. No Owner may actively engage in any solicitations for commercial purposes within Centra Falls. No solicitors of a commercial nature shall be allowed within Centra Falls, without the prior written consent of Association. No garage or yard sales are permitted, except as permitted by Association. No day care center or facility may be operated out of a Home. Prior to the Community Completion Date, Association shall not permit any garage or yard sales without the prior written consent of Developer.

14.8 Completion and Sale of Homes . No person or entity shall interfere with the completion and sale of Homes within Centra Falls. WITHOUT LIMITING THE FOREGOING, EACH OWNER, BY ACCEPTANCE OF A DEED TO A HOME, AGREES THAT ACTIONS OF OWNERS MAY IMPACT THE VALUE OF HOMES; THEREFORE EACH OWNER IS BENEFITED BY THE FOLLOWING RESTRICTION: PICKETING AND POSTING OF NEGATIVE SIGNS (INCLUDING SIGNS IN OR ON VEHICLES) OR POSTING OF NEGATIVE WEBSITES ON THE INTERNET, NEGATIVE ADVERTISING AND NEGATIVE INFORMATION PROVIDED OR POSTED AT PUBLIC GATHERINGS ARE STRICTLY PROHIBITED IN ORDER TO PRESERVE THE VALUE OF THE HOMES IN CENTRA FALLS AND THE RESIDENTIAL ATMOSPHERE THEREOF. Without limiting the foregoing, each Owner, by acceptance of a deed to a Home, agrees that picketing and posting negative signs, including signs in or on vehicles, is strictly prohibited.

14.9 Control of Contractors. Except for direct services which may be offered to Owners (and then only according to the Rules and Regulations relating thereto as adopted from time to time), no person other than an Association officer or representative of the Management Company retained by Association shall direct, supervise, or in any manner attempt to assert any control over any contractor of Association.

14.10 Cooking. No cooking shall be permitted nor shall any goods or beverages be consumed on the Common Areas except in areas designated for those purposes by Association.

14.11 Decorations. No decorative objects including, but not limited to, birdbaths, figurines, wind chimes, light fixtures, sculptures, fountains, statues, weather vanes, or flagpoles (except for flagpoles as provided in Section 14.39) shall be installed or placed within or upon any portion of Centra Falls without the prior written approval of the ARC. Notwithstanding the foregoing, no statues, sculptures or birdbaths of any kind can be installed or placed within the yard of or adjacent to a Home which is visible from the street. Notwithstanding the foregoing, holiday lighting and decorations shall be permitted to be placed upon the exterior portions of the Home in the

manner permitted hereunder commencing on Thanksgiving and shall be removed no later than January 15th of the following year. The ARC may establish standards for holiday lights. The ARC may require the removal of any lighting that creates a nuisance (e.g., unacceptable spillover to adjacent Home).

14.12 Disputes as to Use. If there is any dispute as to whether the use of any portion of Centra Falls complies with this Declaration, such dispute shall, prior to the Community Completion Date, be decided by Developer, and thereafter by Association. A determination rendered by such party with respect to such dispute shall be final and binding on all persons concerned.

14.13 Drainage System. Drainage systems and drainage facilities may be part of the Common Areas and/or Homes. The maintenance of such system and/or facilities within the Common Areas shall be the responsibility of the Association. Once drainage systems or drainage facilities are installed by Developer, the maintenance of such systems and/or facilities within the boundary of a Home thereafter shall be the responsibility of the Association other than water and sewer lines servicing the Home (other than the irrigation system) which shall be the maintenance responsibility of the Owners as provided in Section 11.7 of this Declaration. In the event that such system or facilities (whether comprised of swales, pipes, pumps, slopes, or other improvements) are adversely affected by landscaping, fences, structures (including, without limitation, pavers), or additions installed by an Owner, the cost to correct, repair, or maintain such drainage system and/or facilities shall be the responsibility of the Owner of each Home containing all or a part of such drainage system and/or facilities. By way of example, and not of limitation, if the Owner of one Home plants a tree (pursuant to the ARC approval) and the roots of such tree subsequently affect pipes or other drainage facilities within another Home, the Owner that plants the tree shall be solely responsible for the removal of the roots that adversely affect the adjacent Home. Likewise, if the roots of a tree located within the Common Areas adversely affect an adjacent Home, Association shall be responsible for the removal of the roots and the costs thereof shall be Operating Costs of Association. Notwithstanding the foregoing, the Developer shall have no responsibility or liability for drainage problems of any type whatsoever.

14.14 Driveways and Pressure Treatment. Exterior surfaces and/or pavement, including, but not limited to, walks, streets, and driveways, shall be pressure treated by Association. No surface applications to driveways shall be permitted without the prior written approval of the ARC as to material, color and pattern. Such applications shall not include the sidewalk. No oil stains, stains or weeds are permitted on driveways, Lots or Parcels and Owners shall be responsible for removing any oil or other stains on driveways in between the times that Association pressure cleans the driveways.

14.15 Extended Vacations and Absences. In the event a Home will be unoccupied for a period longer than fourteen (14) consecutive calendar days, the Home must be prepared prior to departure by: (i) notifying Association in writing; (ii) removing all removable furniture, plants and other objects from outside the Home; and (iii) designating a responsible firm or individual to care for the Home, should the Home suffer damage or require attention, and providing a key to that firm or individual. The name, address and telephone number of the designee shall be furnished to Association. Neither Association nor Developer shall have any responsibility of any nature relating to any unoccupied including, without limitation, installing or closing hurricane shutters prior to the arrival of a hurricane, tropical storm or other severe weather condition.

14.16 Fences/Walls/Screens. Unless installed by Developer, no walls or fences shall be erected or installed without prior written consent of the ARC. No chain link fencing of any kind shall be allowed. All screening and screened enclosures shall require the prior written approval of the ARC and shall be constructed utilizing white aluminum or such other type and color approved by the ARC. Screening shall be charcoal in color. All enclosures of balconies or patios, including, without limitation addition of vinyl windows, and decks shall require the prior written approval of the ARC. In the event a fence is installed within a drainage easement area with prior ARC approval, the Owner is solely responsible for fence repair or replacement if the drainage easement area needs to be accessed or as otherwise provided in Section 14.13 of this Declaration.

14.17 Fire Extinguishers and Smoke Detectors. Each Owner shall be responsible to timely check, maintain and/or replace fire extinguishers and smoke detectors within the Home. Smoke detectors should be replaced at least every ten (10) years. Fire extinguishers should be recharged or replaced after each use.

14.18 Fuel Storage. No fuel storage shall be permitted within Centra Falls, except as may be necessary or reasonably used for barbecues, fireplaces, emergency generators or similar devices, and as otherwise permitted by this Declaration.

14.19 Garages. Each Home will have its own garage. Garages shall be used exclusively for the parking of motor vehicles. No garage shall be converted into any use which would prevent the use of the garage for the purpose of parking a motor vehicle. By way of example and not of limitation, no garage shall be converted into a general living area, used as living quarters by any person, or converted to areas not allowing the parking of vehicles, nor shall any commercial or business venture be operated out of any garage. Garage doors shall remain closed at all times except when vehicular or pedestrian access is required.

14.20 Garbage Cans. Trash collection, disposal and recycling procedures established by Association and/or the City shall be observed. The Association or the City will provide trash collection services for Centra Falls. The costs of garbage and recycling pick-up provided by the Association shall be part of Operating Costs of the Association. No outside burning of trash or garbage is permitted. No garbage cans, recycling bins or containers, supplies or other similar articles shall be maintained on any Home so as to be visible from outside the Home, Lot or Parcel. Each Owner shall be responsible for properly depositing his or her garbage and trash in garbage cans or trash containers sufficient for pick-up by the appropriate collection entities in accordance with the requirements of any such entity, including the placement of trash and recycling receptacles in specified locations. All such trash and recycling receptacles shall be maintained in a sanitary condition and shall be shielded from the view of adjacent properties and streets. Garbage cans, trash containers, and recycling bins or containers shall not be placed outside the Home for pick-up earlier than 6:00 p.m. on the day preceding the pick-up, and must be returned to the Home so that they are not visible from outside the Home on the day of pick-up. Association or the City may require that specific garbage cans, trash containers and recycling bins or containers be used and/or purchased from or through Association.

14.21 General Use Restrictions. Each Home, the Common Areas and any portion of Centra Falls shall not be used in any manner contrary to the Association Documents.

14.22 Generators. During times of power outages, Owners may use generators as back-up electrical sources. Such generators must have sound attenuation buffers. Generators may be tested on business days between 9:00 a.m. and 5:00 p.m. and after a hurricane warning has been issued by the National Weather Service for the City. No permanent generator may be installed without the prior written approval of the ARC approval and prior written approval from all governmental authorities having jurisdiction.

14.23 Hurricane Shutters. Any hurricane shutters or other protective devices visible from outside a Home shall be of a type as approved in writing by the ARC. Panel, accordion and roll-up style hurricane shutters may not be left closed during hurricane season (nor at any other time). Any such approved hurricane shutters may be installed or closed up to forty-eight (48) hours prior to the expected arrival of a hurricane and must be removed or opened within seventy-two (72) hours after the end of a hurricane watch or warning or as the Board may determine otherwise. Except as the Board may otherwise decide, shutters may not be closed at any time other than a storm event. Any approval by the ARC shall not be deemed an endorsement of the effectiveness of hurricane shutters.

14.24 Irrigation. The water used in the irrigation system is not suitable for drinking or water sports. Children and pets should not play in such water and the water should not be ingested by humans or pets and should not be used to irrigate anything meant for human consumption. Association may use waterways and lakes to irrigate, and may use pumps to remove water from lakes or waterbodies adjacent to or in the vicinity of Centra Falls for irrigation purposes at all times, subject to applicable permitting; such water will contain chemicals used to control aquatic vegetation. Due to water quality, irrigation systems may cause staining on Homes, other structures, paved areas, or vehicles. Except as otherwise specifically provided in this Declaration, it is Association's responsibility to treat and remove any such staining. The yard of or adjacent to a Home may be equipped with irrigation lines. Developer, SBDD, SFWMD, and Association shall have the right to use one or more pumps to remove water from waterbodies for irrigation purposes at all times, subject to applicable permitting. Developer may utilize a computerized loop system to irrigate the Common Areas and Homes. Any computerized loop irrigation system shall be the maintenance obligation of Association and shall be deemed part of the Common Areas. The

responsibility to remove any staining on the Homes due to the computerized loop irrigation system maintained by the Association shall be the obligation of the Association.

14.25 Landscape Lighting. No landscape lighting shall be installed by an Owner without the prior written approval of the ARC.

14.26 Landscaping; Removal of Sod and Shrubbery; Additional Planting. Owners may not place additional plants, shrubs, or trees within any portion of Centra Falls without the prior approval of the ARC. Without the prior approval of the ARC, no sod, topsoil, tree, or shrubbery shall be removed from any Lot or yard, no change in the elevation or level of the land shall be made, and no change in the condition of the soil or the level of the land of such areas shall be made which results in any change in the flow and drainage of surface water which the ARC, in its sole discretion, considers detrimental or potentially detrimental to person or property. Notwithstanding the foregoing, Owners who install improvements to a Home with ARC approval, as applicable, (including, without limitation, concrete or brick pavers) which result in any change in the flow and/or drainage of surface water shall be responsible for the costs of drainage problems resulting from such improvement. Further, in the event that such Owner fails to pay for such required repairs, each Owner agrees to reimburse Association and/or other Owners for all expenses incurred in fixing such drainage problems including, without limitation, removing excess water and/or repairing the Surface Water Management System.

14.27 Laundry. Subject to the provisions of Section 163.04 of the Florida Statutes, to the extent applicable, no rugs, mops or laundry of any kind, or any other similar type article, shall be shaken, hung or exposed so as to be visible outside any Home, Lot or Parcel. Clotheslines may be installed in the rear yard of a Home so long as not visible from the front of the Home or from another Home. No clothes drying area may be placed on any Lot or Parcel until its location and material for the clothesline have been submitted to and approved by the ARC.

14.28 Lawful Use. No immoral, improper, offensive, unlawful or obnoxious use shall be made in any portion of Centra Falls. All laws, zoning ordinances and regulations of all governmental entities having jurisdiction thereof shall be observed. The responsibility of meeting the requirements of governmental entities for maintenance, modification or repair of a portion of Centra Falls shall be the same as the responsibility for maintenance and repair of the property concerned.

14.29 Leases, Licenses and Occupancy Agreements. Homes may be leased, licensed or occupied only in their entirety and no fraction or portion may be rented. No bed and breakfast facility may be operated out of a Home. Individual rooms of a Home may not be leased or licensed for occupancy on any basis. No transient tenants may be accommodated in a Home. All leases, licenses or occupancy agreements shall be in writing and a copy of all such leases, licenses or occupancy agreements shall be provided to Association if so requested by Association. All leases, licenses and occupancy agreements shall be on forms approved by the Association and shall provide (and if not so provided shall be deemed to provide) that Association shall have the right to terminate the lease, license or occupancy agreement upon default by the tenant or occupant in observing any of the provisions of the Association Documents or other applicable provisions of any agreement, document or instrument governing Centra Falls or administered by Association. Owners are responsible for providing their tenants and other occupants with copies of all Association Documents and other applicable documents or instruments governing Centra Falls at such Owner's sole cost and expense. No Home may be subject to more than one (1) lease, license or occupancy agreement in any twelve (12) month period, regardless of the lease, license or occupancy agreement term. No time-share or other similar arrangement is permitted. No lease, license or occupancy agreement term shall be less than ninety (90) days. No guest shall be permitted to remain in a Home unless the Owner of the Home is also occupying the Home, and no guest shall be permitted to remain in a Home for any period in excess of thirty (30) consecutive days. No subleasing or assignment of lease rights by the tenant is permitted. In no event shall occupancy of a leased or licensed Home or Home subject to an occupancy agreement (except for temporary occupancy by visiting guests) exceed two (2) persons per bedroom. Each Owner shall be jointly and severally liable with the tenant, licensee or occupant to Association for all costs incurred by Association for the repair of any damage to Common Areas or to pay any claim for injury or damage to property caused by tenants, licensees or occupants. Association shall repair any such damage and the cost of such repair shall be invoiced as an Individual Assessment to the Owner. Additionally, as a condition to the approval by Association of a proposed lease, license or occupancy of a Home, Association has the authority to require that a security deposit in an amount not to exceed the equivalent of one (1) month's rent be deposited into an account maintained by Association. The security deposit shall protect against damages to the



Common Areas or Association Property. A security deposit held by Association under this Section shall be governed by Chapter 83 of the Florida Statutes, as it may be renumbered from time to time. Association may also charge a reasonable fee to offset the costs of a background check on a proposed tenant or occupant. All leases, licenses and occupancy agreements shall also comply with and be subject to Section 23 of this Declaration. Notwithstanding the foregoing, this Section shall not apply to a situation where an Owner or resident of a Home receives in-home care by a professional caregiver residing within the Home.

14.30 Minor's Use of Facilities. Each Owner shall be responsible for all actions of minor children dwelling in and/or visiting his or her Home. Developer and Association shall not be responsible for any use of the facilities and Common Areas by anyone, including minors. Children under the age of sixteen (16) shall be accompanied by an adult at all times.

14.31 Nuisances. No nuisance or any use or practice that is the source of unreasonable annoyance to others or which interferes with the peaceful possession and proper use of Centra Falls is permitted. No firearms or fireworks shall be discharged within Centra Falls. Nuisances shall include, without limitation, the playing of loud music or the gathering in front of Homes or Common Areas by any Owner or permitted occupant thereof, his/her immediate family, guests, tenants and invitees. Nothing shall be done or kept within the Common Areas, or any other portion of Centra Falls, including a Home, Lot or Parcel which will increase the rate of insurance to be paid by Association.

14.32 Oil and Mining Operations. No oil drilling development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or on any portion of Centra Falls, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or on any portion of Centra Falls. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted on any portion of Centra Falls.

14.33 Painting. Homes shall be painted by Association pursuant to Section 10.11 of this Declaration. The exterior of all Townhome Buildings shall be uniformly maintained including, but not limited to, painting and pressure cleaning, all of which may be required to be performed by the Association at the same time by the same contractor as required by the Association and/or ARC.

14.34 Personal Property. All personal property of Owners or other occupants of Homes shall be stored within the Homes. No personal property, except usual patio furniture, may be stored on, nor any use made of, the Common Areas, any Parcel, Lot or Home, or any other portion of Centra Falls, which is unsightly or which interferes with the comfort and convenience of others.

14.35 Removal of Soil and Additional Landscaping. Without the prior consent of the ARC, no Owner shall remove soil from any portion of Centra Falls, change the level of the land within Centra Falls, or plant landscaping which results in any permanent change in the flow and drainage of surface water within Centra Falls. Owners may not place additional plants, shrubs, or trees within any portion of Centra Falls without the prior written approval of the ARC.

14.36 Satellite Dishes and Antennas. No exterior visible antennas, radio masts, towers, poles, aerials, satellite dishes, or other similar equipment shall be placed on any Home or Parcel without the prior written approval thereof being first had and obtained from the ARC as required by this Declaration. The ARC may require, among other things, that all such improvements be screened so that they are not visible from adjacent Homes, or from the Common Areas. Each Owner agrees that the location of satellite dishes, antennas, and other equipment under this Section must be first approved by the ARC in order to address the welfare of the residents of Centra Falls. No Owner shall operate any equipment or device which will interfere with the radio or television reception of others, and satellite dishes must be on fascia board when possible with no exposed wires. Notwithstanding the foregoing, all antennas not permitted by the Federal Communications Commission ("FCC") rules are prohibited. Installation, maintenance, and use of all antennas shall comply with restrictions adopted by the Board and shall be governed by the then current rules of the FCC.

14.37 Screened Enclosures. No screened enclosures shall be permitted without the prior written approval of the ARC.

14.38 Service Providers. Service providers, employees and domestic help (e.g. nannies and nurses) of any Owner may not gather or lounge in or about the Common Areas.

14.39 Signs and Flags. No sign (including brokerage or for sale/lease signs), flag, banner, sculpture, fountain, outdoor play equipment, solar equipment, artificial vegetation, sports equipment, advertisement, notice or other lettering shall be exhibited, displayed, inscribed, painted or affixed in, or upon any portion of Centra Falls that is visible from the outside without the prior written approval thereof being first had and obtained from the ARC as required by this Declaration and without the prior written approval thereof by governmental agencies, if necessary; provided, however, signs required by governmental agencies and approved by the ARC may be displayed (e.g., permit boards). All "For Sale" and "For Rent" signs must be approved by the ARC. Notwithstanding the foregoing, no broker, "For Sale" or "For Rent" signs shall be exhibited, displayed, inscribed, painted or affixed in, or upon, any part of Centra Falls while Developer holds any Homes for sale in Centra Falls. No sign may be placed in the window of a Home. Developer and Builders are exempt from this Section. Notwithstanding the foregoing, no ARC approval is necessary for the installation of one (1) portable, removable United States of America flag or official flag of the State of Florida displayed in a respectful manner, and one (1) portable, removable official flag, not larger than 4 ½ feet by 6 feet and displayed in a respectful manner, which represents the United States Army, Navy, Air Force, Marine Corps, or Coast Guard or a POW-MIA flag. In addition, no ARC approval is necessary for installation of one (1) freestanding flagpole no more than twenty feet (20') high on any portion of such Owner's Lot as long as the flagpole does not obstruct sightlines at intersections and is not erected within an easement, and upon which an Owner may display in a respectful manner and without ARC approval one (1) official United States of America flag, not larger than 4 ½ feet by 6 feet, and one (1) official flag of the State of Florida or the United States Army, Navy, Air Force, Marine Corps, or Coast Guard, or a POW-MIA flag, which additional flag is equal in size to or smaller than the United States of America flag. Notwithstanding the foregoing, any flagpole and flag display are subject to all applicable building codes, zoning setbacks, and other governmental regulations.

14.40 Sports Equipment. No recreational, playground or sports equipment shall be installed or placed within or about any portion of Centra Falls without prior written consent of the ARC. No basketball backboards, skateboard ramps, or play structures will be permitted without written approval by the ARC. Such approved equipment shall be located at the rear of the Home or on the inside portion of corner Homes within the setback lines. Tree houses or platforms of a similar nature shall not be constructed on any part of a Home. No basketball hoops shall be attached to a Home or permanently installed in the yard adjacent to a Home or any other portion of Centra Falls. Any portable basketball hoops and other sports equipment must be stored inside the Home when not in use.

14.41 Storage. No temporary or permanent utility or storage shed, storage building, tent, or other structure or improvement shall be permitted and no other structure or improvement shall be constructed, erected, altered, modified or maintained without the prior written approval of the ARC, which approval shall conform to the requirements of this Declaration. Water softeners, trash containers, propane tanks and other similar devices shall be properly screened from the street in a manner approved by the ARC.

14.42 Subdivision and Regulation of Land. No portion of any Home, Townhome Building, Lot or Parcel shall be divided or subdivided or its boundaries changed without the prior written approval of Association. No Owner shall inaugurate or implement any variation from, modification to, or amendment of governmental regulations, land use plans, land development regulations, zoning, or any other development orders or development permits applicable to Centra Falls prior to the Community Completion Date, without the prior written approval of Developer, which may be granted or denied in its sole discretion or if after the Community Completion Date, without the prior written approval of (i) sixty-six and two thirds percent (66 2/3%) of the Board and (ii) seventy-five percent (75%) of the votes present (in person or by proxy) at a duly noticed meeting of the Members at which there is a quorum.

14.43 Substances. No flammable, combustible or explosive fuel, fluid, chemical, hazardous waste, or substance shall be kept on any portion of Centra Falls or within any Home, Lot or Parcel, except those which are required for normal household use and except as otherwise provided in Section 14.18 of this Declaration. All propane tanks and bottled gas for household purposes (excluding barbecue grill tanks) must be installed underground or in a manner to be screened from view by landscaping or other materials approved by the ARC.

14.44 Swimming, Fishing, Boating, Docks and Wildlife. Swimming, fishing and feeding wildlife are prohibited within any of the lakes or waterbodies adjacent to or in the vicinity of Centra Falls, and boating and personal watercraft (e.g., jet skis) are prohibited. No docks may be erected within any such lake or waterbody. Animals such as alligators and snakes may live in or around lakes or waterbodies and Owners, their guests, invitees, lessees, family members and licensees use of the lakes and waterbodies is at their own risk.

14.45 Use of Homes. Each Home is restricted to residential use as a residence by the Owner or permitted occupant thereof, its immediate family, guests, tenants and invitees.

14.46 Visibility on Corners. Notwithstanding anything to the contrary in these restrictions, no obstruction to visibility at street intersections shall be permitted and such visibility clearances shall be maintained as required by the ARC and governmental agencies. No vehicles, objects, fences, walls, hedges, shrubs or other planting shall be placed or permitted on a corner Lot or Parcel where such obstruction would create a traffic problem.

14.47 Water Intrusion. Florida experiences heavy rainfall and humidity on a regular basis. Each Owner is responsible for making sure his or her Home remains watertight including, without limitation, checking caulking around windows and seals on doors. Each Owner acknowledges that running air conditioning machinery with windows and/or doors open in humid conditions can result in condensation, mold and/or water intrusion. Neither Developer nor Association shall have liability under such circumstances for any damage or loss that an Owner may incur.

14.48 Wells and Septic Tanks. No individual wells will be permitted on any Lot or Parcel and no individual septic tanks will be permitted on any Lot or Parcel.

14.49 Windows or Wall Units. No window or wall air conditioning unit may be installed in any window or wall of a Home,

14.50 Window Treatments. Window treatments shall consist of drapery, blinds, decorative panels, or other window covering, and no newspaper, aluminum foil, sheets or other temporary window treatments are permitted, except for periods not exceeding one (1) week after an Owner or tenant first moves into a Home or when permanent window treatments are being cleaned or repaired. No security bars shall be placed on the windows of any Home without the prior written approval of the ARC. No awnings, canopies or shutters shall be affixed to the exterior of a Home without the prior written approval of the ARC. No reflective tinting or mirror finishes on windows shall be permitted unless approved by the ARC. Window treatments facing the street shall be of a neutral color, such as white, off-white or wood tones.

15. Insurance. Association shall maintain the following insurance coverage, the cost of which shall be part of Operating Costs to be shared equally by Owners:

15.1 Common Areas. Association, acting through the Board, shall obtain and maintain the following insurance coverage, if reasonably available or if not reasonably available, the most nearly equivalent coverage as are reasonably available, at the Board's sole determination.

15.1.1 Casualty. Property and casualty insurance for all insurable improvements owned or maintained by the Association on the Common Areas, in such amounts as shall be sufficient to cover the full replacement cost of any repair or reconstruction in the event of loss or damage by fire or other insured casualty covered by a standard extended coverage endorsement.

15.1.2 Flood Insurance. If the Common Areas are located within an area which has special flood hazards and for which flood insurance has been made available under the National Flood Insurance Program ("**NFIP**"), coverage in appropriate amounts, available under NFIP for all buildings and other insurable property within any portion of the Common Areas located within a designated flood hazard area and any other Common Areas for which the Association chooses to obtain flood insurance.

15.1.3 Liability Insurance. Commercial general liability insurance and hazard insurance providing coverage and limits deemed appropriate. Such policies must provide that they may not be canceled or substantially modified by any party, without at least thirty (30) days' prior written notice to Developer (until the Community Completion Date), and Association.

15.1.4 Directors and Officers Liability Insurance. Each member of the Board shall be covered by directors and officers liability insurance in such amounts and with such provisions as approved by the Board.

15.1.5 Fidelity Bonds. Unless waived on an annual basis by approval of a majority of the voting interests present at a properly noticed meeting of the Association, the Association shall obtain insurance or a blanket fidelity bond for all officers, directors, trustees and employees of Association, and all other persons handling or responsible for funds of, or administered by, Association including, but not limited to, persons who control or disburse funds of the Association, i.e. persons authorized to sign checks on behalf of the Association, and the president, vice-president secretary, and treasurer of the Association. In the event Association delegates some or all of the responsibility for the handling of the funds to a Management Company, such bonds shall be required for its officers, employees and agents, handling or responsible for funds of, or administered on behalf of Association. The amount of the fidelity bond or insurance shall be based upon reasonable business judgment and must cover the maximum funds that will be in the custody of the Association or its licensed manager or Management Company at any one time. The fidelity bonds must meet the following requirements (to the extent available at a reasonable premium):

15.1.5.1 The bonds shall name Association as an obligee.

15.1.5.2 The bonds shall contain waivers, by the issuers of the bonds, of all defenses based upon the exclusion of persons serving without compensation from the definition of "employee" or similar terms or expressions.

15.1.5.3 The premiums on the bonds (except for premiums on fidelity bonds maintained by a Management Company, or its officers, employees and agents), shall be paid by Association.

15.1.5.4 The bonds shall provide that they may not be canceled or substantially modified (including cancellation for non-payment of premium) without at least thirty (30) days' prior written notice to Developer (until the Community Completion Date), and Association.

15.1.6 Other Insurance. Such other insurance coverage as is appropriate from time to time. All coverage obtained by Association shall cover all activities of Association and all properties maintained by Association, whether or not Association owns title thereto.

15.1.7 Developer. Prior to and including the Turnover Date and to the extent not prohibited by law, Developer shall have the right, at Association's expense, to provide any such insurance coverage required by this Declaration as it deems appropriate under its master insurance policy in lieu of any of the foregoing.

## 15.2 Homes.

15.2.1 Requirement to Maintain Insurance. The Association has the right, but not the obligation, to maintain property insurance for the Homes offering protection against loss or damage by fire and other hazards, including, but not limited to, windstorm, covered on an all-risk basis and in an amount not less than one hundred percent (100%) of full insurable replacement value thereof excluding foundation and excavation costs. If the Association chooses to maintain such insurance, the cost of such insurance will be an Operating Cost of Association paid by Owners through Assessments. If the Association chooses to maintain such insurance, the named insured shall be the Association, individually and as agent for Owners covered by the policy, without naming them, and as agent for their mortgagees, without naming them, and all payments for losses made by the insurer shall be paid to Association who will pay the Owner(s) on whose behalf the payment was received, as applicable or used to fund repairs for an insured loss for which Association has the obligation to repair pursuant to this Declaration. If, however, the Association chooses not to obtain such insurance, then each Owner shall be required, at each Owner's sole cost and expense, to obtain and maintain insurance on such Owner's Home offering protection against loss or

damage by fire and other hazards, including, but not limited to, windstorm, in an amount not less than one hundred percent (100%) of the full insurable replacement value thereof, and, in addition, if a Home is located in a flood zone, flood insurance covering the lesser of one hundred percent (100%) of full insurable replacement value of the Home or the maximum amount of such insurance available under NFIP. Such insurance maintained by Owners shall name the Association as an additional insured and loss payee and shall be sufficient for necessary repair or reconstruction work, and related costs or shall cover the costs to demolish a damaged Home, as applicable, remove the debris, and to resod and landscape the land comprising the Home. If Association does not maintain insurance, upon the request of Association, each Owner shall be required to supply the Board with evidence of insurance coverage on his/her/its Home which complies with the provisions of this Section. Without limiting any other provision of this Declaration or the powers of Association, Association shall specifically have the right to bring an action to require an Owner to comply with his/her/its obligations hereunder. IN THE EVENT THAT THE ASSOCIATION MAINTAINS INSURANCE PURSUANT TO THIS SECTION 15.2.1, ALL INSURANCE PREMIUMS SHALL BE DEEMED PART OF OPERATING COSTS OF THE ASSOCIATION AND EACH OWNER SHALL PAY AN EQUAL SHARE OF SUCH COSTS AS PART OF ASSESSMENTS REGARDLESS OF THE LOCATION, TYPE, OR SIZE OF A HOME, LOT, OR PARCEL.

15.2.2 Association Insurance. In the event the Association maintains insurance on Homes as provided in Section 15.2.1 above, such insurance shall cover all portions of Homes and fixtures as originally installed or replacements of like kind and quality in accordance with the original plans and specifications. Such coverage shall exclude (1) all personal property located within Homes or Lots and owned, supplied or installed by Owners and (2) floor, wall and ceiling coverings, electrical fixtures, appliances, water heaters, water filters, built-in cabinets and all countertops, and all window treatments which are located within the boundaries of a Home, (3) additions or modifications to a Home or Lot made by Owners (with ARC prior written approval if applicable), and (4) insurance for Owners' personal liability and living expenses. In addition, the insurance purchased by the Association shall not cover claims against an Owner due to accidents occurring within the Owner's Home, nor casualty or theft loss to contents, including the other items excluded from the insurance maintained by the Association as provided herein, of such Home. It shall be the obligation of each Owner to obtain and maintain insurance at their own expense as to all other risks not covered by the insurance carried by the Association, and for all real and personal property not insured by the Association, including all items excluded from insurance provided by Association. One copy of each insurance policy obtained by the Association or a certificate evidencing such policy, and all endorsements thereto, shall be furnished by Association upon request to each Lender who holds a mortgage upon a Home covered by the policy. Insurance coverage obtained by the Association may contain reasonable deductible provisions as determined by the Board (and approved by Developer prior to the Community Completion Date).

15.2.3 Owners Personal Coverage. In the event Association maintains insurance in accordance with Section 15.2.1 above, Association shall not be responsible to Owners to obtain insurance coverage on personal property within the Homes, nor insurance for floor, wall and ceiling coverings, electrical fixtures, appliances, water heaters, water filters, built-in cabinets and all countertops, and all window treatments which are located within the boundaries of a Home, nor insurance for additions or modifications to a Home, Lot or Parcel made by an Owner (with ARC approval), nor insurance for Owners' personal and/or business liability and expenses nor risks not otherwise required to be insured if Association elects to maintain insurance in accordance with Section 15.2.1 above.

15.2.4 Association Has No Liability. Notwithstanding anything to the contrary in this Section, Association, its directors and officers, shall not be liable to any Owner should an Owner fail for any reason whatsoever to obtain insurance coverage on a Home. Moreover, Association, its directors and officers, shall not be liable to any person if Association does not enforce the rights given to Association in this Section.

15.3 Fidelity Bonds. Unless waived on an annual basis by approval of a majority of the voting interests present at a properly noticed meeting of the Association, the Association shall obtain insurance or a blanket fidelity bond for all officers, directors, trustees and employees of Association, and all other persons handling or responsible for funds of, or administered by, Association including, but not limited to, persons who control or disburse funds of the Association, i.e. persons authorized to sign checks on behalf of the Association, and the president, vice-president, secretary, and treasurer of the Association. In the event Association delegates some or all of the responsibility for the handling of the funds to a Management Company, such bonds shall be required for its officers, employees and agents, handling or responsible for funds of, or administered on behalf of Association. The amount

of the fidelity bond or insurance shall be based upon reasonable business judgment and must cover the maximum funds that will be in the custody of the Association or its licensed manager or Management Company at any one time. The fidelity bonds must meet the following requirements (to the extent available at a reasonable premium):

15.3.1 The bonds shall name Association as an obligee.

15.3.2 The bonds shall contain waivers, by the issuers of the bonds, of all defenses based upon the exclusion of persons serving without compensation from the definition of "employee" or similar terms or expressions.

15.3.3 The premiums on the bonds (except for premiums on fidelity bonds maintained by a Management Company, or its officers, employees and agents), shall be paid by Association.

15.3.4 The bonds shall provide that they may not be canceled or substantially modified (including cancellation for non-payment of premium) without at least thirty (30) days' prior written notice to Developer (until the Community Completion Date) and Association.

15.4 Association as Agent. Association is irrevocably appointed agent for each Owner of any interest relating to the Common Areas to adjust all claims arising under insurance policies purchased by Association and to execute and deliver releases upon the payment of claims.

15.5 Casualty to Common Areas. In the event of damage to the Common Areas, or any portion thereof, Association shall be responsible for reconstruction after casualty. In the event of damage to a Home, or any portion thereof, the Owner shall be responsible for reconstruction after casualty pursuant to Section 16.1.

15.6 Nature of Reconstruction. Any reconstruction of improvements hereunder shall be substantially in accordance with the plans and specifications of the original improvement, or as the improvement was last constructed, subject to modification to conform to the then current governmental regulation(s).

15.7 Additional Insured. Developer and its lender(s) shall be named as additional insured on all policies obtained by Association, as their interests may appear.

15.8 Cost of Payment of Premiums. The costs of all insurance maintained by Association hereunder, and any other fees or expenses incurred which may be necessary or incidental to carry out the provisions hereof are Operating Costs.

15.9 Insurance Deductibles. Notwithstanding the provisions of Section 15.8 of the Declaration, in the event that the Association maintains insurance on Homes as provided in Section 15.2.1 and there is damage to portions of a Home or Townhome Building for which the responsibility of maintenance and repair is that of the Association pursuant to the terms of this Declaration, then any insurance deductible for an insured and covered loss will be charged as an Individual Assessment to each Owner whose Home is repaired and the cost of which is paid for by insurance proceeds. In the event that the Association maintains insurance on Homes as provided in Section 15.2.1 and there is damage to portions of a Home or Townhome Building for which the responsibility of maintenance and repair is that of the Owners pursuant to the terms of this Declaration, then any insurance deductible for an insured and covered loss shall be paid by the Owner(s) of the Home(s) to be repaired and/or reconstructed.

15.10 Repair Costs Exceed Amount of Insurance Proceeds. Notwithstanding the provisions of Section 15.8 of the Declaration, in the event that the Association maintains insurance on Homes as provided in Section 15.2.1 and there is damage to portions of a Home or Townhome Building for which the responsibility of maintenance and repair is that of the Association pursuant to the terms of this Declaration, then the cost of repair or replacement in excess of insurance proceeds or not paid by insurance proceeds shall be charged as an Individual Assessment to each Owner whose Home is repaired. In the event that the Association maintains insurance on Homes as provided in Section 15.2.1 and there is damage to portions of a Home or Townhome Building for which the responsibility of maintenance and repair is that of the Owners pursuant to the terms of this Declaration, then the Owner(s) of the damaged Home(s) is/are responsible for and shall pay the cost of repair and replacement in excess of insurance proceeds or not paid by insurance.

15.11 Owner Responsibility. Notwithstanding any other provision of this Declaration, an Owner is responsible for any insurance deductible and the costs of repair or replacement of property insured by the Association and not paid by insurance proceeds if such damage is caused by the intentional conduct, negligence, or failure to comply with the terms of this Declaration by the Owner, the Owner's family, or the Owner's occupants, tenants, guests or invitees.

16. Reconstruction, Repair or Demolition.

16.1 Reconstruct or Repair. Subject to the provisions of Section 16.2, in the event that any Home is damaged or destroyed by fire or other casualty, the Owner shall immediately clear the Lot upon which the Home is located of all debris and make any repairs necessary to continue the structural soundness of any wall which formed a part of the Home, and the Owner shall commence reconstruction and/or repair of the Home ("**Required Repairs**") within thirty (30) days from the Owner's receipt of the insurance proceeds, if any, respecting such Home, or such longer period of time established by the Board in its sole discretion. Such Required Repair must be completed in a continuous, diligent, and timely manner and Association shall have the right to inspect the progress of all reconstruction and/or repair work. In the event that more than one (1) Home within a Townhome Building is damaged or destroyed, all Required Repairs to structural and exterior portions and components of the Townhome Building must be completed by a single contractor chosen by the Owners of Homes to be reconstructed or repaired, and in the event such Owners cannot agree within thirty (30) days following the later of the date the casualty or loss occurred or the date the amount of insurance proceeds is determined, the Board shall choose the contractor with whom the Owners of the affected Homes shall contract to complete the Required Repairs. The Required Repairs to the structural and exterior portions of a Townhome Building must be made substantially in accordance with the plans and specifications for the original Townhome Building subject to applicable building codes.

16.2 Substantial Damage; Determination to Reconstruct or Repair. In the event the damage to a Home constitutes Substantial Damage, then the Association shall call a meeting of all of the Owners of Homes within the affected Townhome Building on or before thirty (30) days following the later of the date such casualty or loss occurred or the date the amount of the insurance proceeds is determined, but in no event later than ninety (90) days following the date such casualty or loss occurred. During that meeting the Owners of Homes within such Townhome Building may unanimously agree not to proceed with the Required Repair subject to obtaining the written consent of all Lenders holding mortgages on Homes within the Townhome Building (unless the mortgages on such Homes will be paid off in full with insurance proceeds or otherwise). In the event that the Owners of Homes within the Townhome Building unanimously agree not to proceed with the Required Repair and all Lenders holding mortgages on Homes within the Townhome Building provide written consent, the Owner shall demolish the Home, remove all debris and resod and landscape the Home as required by the ARC ("**Required Demolition**"), to the extent permitted by the ARC and by law, and to the extent any Lender holding a mortgage on a Home within the Townhome Building consents to the Required Demolition (unless the mortgage on such Home will be paid off in full with insurance proceeds or otherwise). Such agreement not to proceed with the Required Repair shall be memorialized in a writing executed by all Owners of Homes within such Townhome Building and, together with the written consent of the Lenders holding mortgages on Homes within the Townhome Building, presented to the ARC, whose written approval shall be required before any such demolition can commence. The Required Demolition must be completed within six (6) months from the date of the casualty or such longer period of time established by the Board in its sole discretion subject to extension if required by law. If all of the Owners of Homes within a Townhome Building and all Lenders holding mortgages on Homes within a Townhome Building do not agree to the Required Demolition, then such Required Demolition shall not be commenced and all Owners of damaged or destroyed Homes within such Townhome Building shall perform the Required Repairs with respect to such Homes as provided in Section 16.1 of this Declaration. Notwithstanding the foregoing and anything to the contrary in this Declaration, Required Repairs shall be completed in the event that a failure to complete the Required Repairs will result in a violation of any applicable building, zoning or other code.

16.3 Standard of Work. The standard for all demolition, reconstruction, and other work performed as required by this Section shall be in accordance with the Community Standards and any other standards established by Association with respect to any casualty that affects all or a portion of Centra Falls. Each Owner acknowledges that the issuance of a building permit or a demolition permit in no way shall be deemed to satisfy the requirements set forth herein, which are independent of, and in addition to, any requirements for completion of work or progress requirements set forth in applicable statutes, zoning codes, and/or building codes.

16.4 Additional Rights of Association. If an Owner refuses or fails, for any reason, to perform the Required Repairs or Required Demolition as provided in this Declaration, then Association, in its sole and absolute discretion, by and through its Board is hereby irrevocably authorized by such Owner to perform the Required Repairs or Required Demolition. All Required Repairs performed by Association pursuant to this Section shall be in conformance with the original plans and specifications for the Home. The Board may levy an Individual Assessment against the Owner in whatever amount sufficient to adequately pay for Required Repairs or Required Demolition performed by Association. Without limiting any other provision of this Declaration or the powers of Association, Association shall have a right to bring an action against an Owner who fails to comply with the foregoing requirements. By way of example, Association may bring an action against an Owner who fails to either perform the Required Repairs or Required Demolition on his or her Home within the time periods and in the manner provided in this Declaration.

16.5 Rights of City and/or County. In the event that any Home is destroyed by fire or other casualty, City, County and/or any other authorized governmental agency shall have the right, but not the obligation, to enter such Owner's Lot and/or Home for the purpose of inspecting and assessing the damage to such Home. City, County and/or any other authorized governmental agency shall further have the right to enforce any local laws and/or ordinances with regard to the Required Repairs or the Required Demolition of the Home.

17. Property Rights.

17.1 Owners' Easement of Enjoyment. Every Owner (including Developer), and its immediate family, tenants, guests and invitees, and every owner of an interest in Centra Falls shall have a non-exclusive right and easement of ingress and egress over, and enjoyment in and to those portions of the Common Areas which such Owner is entitled to use for their intended purpose, subject to the following provisions:

17.1.1 Easements, restrictions, reservations, conditions, limitations and declarations of record, now or hereafter existing, and the provisions of this Declaration, as amended.

17.1.2 Rules and Regulations adopted governing use and enjoyment of the Common Areas.

17.1.3 The right of Association to suspend an Owner's rights under this Declaration or to impose fines in accordance with Section 720.305 of the Florida Statutes, as amended from time to time.

17.1.4 The right of Association to suspend the right to use all (except vehicular and pedestrian ingress and egress and necessary utilities) or a portion of the Common Areas by an Owner, its immediate family, etc. for any period during which any Assessment against that Owner remains unpaid.

17.1.5 The right of Association to require that vehicles of all or certain types of Owners, Lessees, and occupants bear appropriate decals and to charge a reasonable fee for such decals.

17.1.6 The right of Association to reasonably limit the number of Owners, Lessees and guests using the Common Areas.

17.1.7 The right of Developer and/or Association to dedicate or transfer all or any part of the Common Areas. No such dedication or transfer shall be effective prior to the Community Completion Date without prior written consent of Developer.

17.1.8 The right of Developer and/or Association to modify the Common Areas as set forth in this Declaration.

17.1.9 The perpetual right of Developer to access and enter the Common Areas at any time, even after the Community Completion Date, for the purposes of inspection and testing of the Common Areas. Association and each Owner shall give Developer unfettered access, ingress and egress to the Common Areas so that Developer and/or its agents can perform all tests and inspections deemed necessary by Developer. Developer shall have the right to make all repairs and replacements deemed necessary by Developer. At no time shall



Association and/or an Owner prevent, prohibit and/or interfere with any testing, repair or replacement deemed necessary by Developer relative to any portion of the Common Areas.

17.1.10 The rights of Developer and/or Association regarding Centra Falls as reserved in this Declaration including, without limitation, the right to utilize the same and to grant use rights, etc. to others.

17.1.11 An Owner relinquishes use of the Common Areas at any time that a Home is leased to a Lessee or otherwise occupied pursuant to an approved lease, license or occupancy agreement.

17.2 Yard Areas. The yard and/or landscaped areas adjacent to the front and back of a Home, if any, shall be for the exclusive use of the Home to which such yard and/or landscaped areas are adjacent, subject to the rights of Owners and the Association to access such areas to perform maintenance and other obligations pursuant to this Declaration. EACH OWNER ACKNOWLEDGES THAT SOME HOMES MAY NOT HAVE YARDS, AND SOME HOMES MAY HAVE YARDS THAT ARE LARGER OR SMALLER THAN THE YARDS OF OTHER HOMES.

17.3 Access, Ingress and Egress, and Parking. In addition to the general easements for use of the Common Areas, there shall be, and Developer reserves, grants and covenants for themselves and all future Owners and their family members, Lessees and guests and to the Association, a perpetual, non-exclusive easement for access, ingress and egress for: (i) pedestrian traffic over, and through and across sidewalks, paths, walks, driveways, passageways, and lanes as the same, from time to time, may exist upon, or be designed as part of, Centra Falls; (ii) for vehicular traffic over, through and across such portions of Centra Falls as, from time to time, may be paved and intended and designated for such purposes; and (iii) vehicular parking on any portions of Centra Falls as, from time to time, may be paved and intended and designated for parking as permitted by this Declaration.

17.4 Maintenance Easement. Each Owner and the Owner's contractors and subcontractors shall have an easement over those portions of the Common Areas and those portions of the Townhome Building in which the Owner's Home is located which is necessary for Owners to fulfill any maintenance, repair and reconstruction obligations of Owners under this Declaration.

17.5 Development Easement. In addition to the rights reserved elsewhere in this Declaration, Developer reserves an easement for itself or its nominees over, upon, across, and under Centra Falls as may be required in connection with the development of Centra Falls, and other lands designated by Developer and to promote or otherwise facilitate the development, construction and sale and/or leasing of Homes or any portion of Centra Falls, and other lands designated by Developer. Without limiting the foregoing, Developer specifically reserves the right to use all paved roads and rights of way within Centra Falls for vehicular and pedestrian ingress and egress to and from construction sites and for the construction and maintenance of any Telecommunications Systems provided by Developer. Specifically, each Owner acknowledges that construction vehicles and trucks may use portions of the Common Areas. Developer shall have no liability or obligation to repave, restore, or repair any portion of the Common Areas as a result of the use of the same by construction traffic, and all maintenance and repair of such Common Areas shall be deemed ordinary maintenance of Association payable by all Owners as part of Operating Costs. Without limiting the foregoing, at no time shall Developer be obligated to pay any amount to Association on account of Developer's use of the Common Areas for construction purposes. Developer intends to use the Common Areas for sales of new and used Homes. Further, Developer may market other residences and commercial properties located outside of Centra Falls from Developer's sales facilities located within Centra Falls. Developer has the right to use all portions of the Common Areas in connection with its marketing activities including, without limitation, allowing members of the general public to inspect model Homes, installing signs and displays, holding promotional parties and picnics, and using the Common Areas for every other type of promotional or sales activity that may be employed in the marketing of new and used residential Homes or the leasing of residential properties. The easements created by this Section, and the rights reserved in this Declaration in favor of Developer, shall be construed as broadly as possible and supplement the rights of Developer set forth in Section 22.11.1 of this Declaration. At no time shall Developer incur any expense whatsoever in connection with its use and enjoyment of such rights and easements. Without limiting any rights of Developer in this Declaration, Developer may non-exclusively assign its rights hereunder to each Builder.

17.6 Signage. There is hereby reserved to Developer, its successors and assigns, a perpetual, non-exclusive easement to access all signage for Centra Falls, if any, to identify CFLLC or any of its affiliated or related entities directly below, or in close proximity, to the name of Centra Falls or install additional signage identifying CFLLC and/or any of its affiliated or related entities in close proximity of any signage containing the Centra Falls name. Further, Developer shall have the right, but not the obligation, to maintain, modify or remove such signage in its sole and absolute discretion, without consent of the Association or any Owner.

17.7 Public Easements. City, County, fire, police, school transportation, health, sanitation and other public service and utility company personnel and vehicles shall have a permanent and perpetual easement for ingress and egress over and across the Common Areas. In addition, Telecommunications Providers shall also have the right to use all paved roadways within Centra Falls for ingress and egress to and from Telecommunications Systems within Centra Falls.

17.8 Delegation of Use. Every Owner shall be deemed to have delegated its right of enjoyment to the Common Areas to occupants or lessees of that Owner's Home subject to the provisions of this Declaration and the Rules and Regulations, as may be promulgated, from time to time. Any such delegation or lease shall not relieve any Owner from its responsibilities and obligations provided in this Declaration.

17.9 Easement for Encroachments. If (a) any improvement upon any portion of the Common Areas encroaches upon any other portion of Centra Falls; (b) any improvements upon any portion of Centra Falls encroaches upon any portion of the Common Areas; or (c) any encroachment shall hereafter occur as a result of (i) construction of any improvements; (ii) settling or shifting of any improvement; (iii) any alteration or repair to the Common Areas (or improvements thereon) after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any improvement of the Common Areas, then, in any event, an easement appurtenant to the encroachment shall exist for such encroachment and for the maintenance of the same so long as the improvements causing such encroachment shall stand. In the event that any structure is partially or totally destroyed, then rebuilt, the Owners and the Association agree that minor encroachments on Common Areas due to construction shall be permitted and that an easement for such encroachments and the maintenance of the structure shall exist. This provision shall not entitle any Owner to intentionally construct improvements which encroach upon any other portion of Centra Falls and no easement for encroachment shall exist if such encroachment occurred due to the willful and knowing conduct on the part of, or with the knowledge and consent of, an Owner, occupant, or the Association. The provisions of this Section 17.9 shall not be in derogation or limitation of any other rights of the Developer.

17.10 Permits, Licenses and Easements. Prior to the Community Completion Date, Developer, and thereafter Association, shall, in addition to the specific rights reserved to Developer in this Declaration, have the right to grant, modify, amend and terminate permits, licenses and easements over, upon, across, under and through Centra Falls (including Lots, Parcels, and/or Homes) for Telecommunications Systems, utilities, roads and other purposes reasonably necessary or useful as it determines, in its sole discretion. To the extent legally required, each Owner shall be deemed to have granted to Developer and, thereafter, Association an irrevocable power of attorney, coupled with an interest, for the purposes expressed in this Declaration.

17.11 Support Easement and Maintenance Easement. An easement is hereby created for the existence and maintenance of supporting structures for each Home and for the Homes within each Townhome Building (and the replacement thereof) and in favor of the person or entity required to maintain the same. An easement is hereby created for maintenance purposes (including access to perform such maintenance) over and across Centra Falls (including Lots, Parcels, and Homes) for the reasonable and necessary maintenance of Common Areas, utilities, cables, wires and other similar facilities.

17.12 Easement for Unintentional and Non-Negligent Encroachments. If any Home, other building or improvement within Centra Falls shall encroach upon any other Home, building, property or improvement by reason of original construction by Developer, then an easement for such encroachment shall exist so long as the encroachment exists. It is contemplated that each Home shall contain an improvement with walls, footings, and other protrusions which may pass over or underneath an adjacent Home. A perpetual nonexclusive easement is herein granted to allow the footers for such walls and other protrusions and to permit any natural water run-off from roof overhangs, eaves and other protrusions onto an adjacent Home.

17.13 Drainage. A perpetual non-exclusive easement shall exist in favor of Developer, Association, and their designees, and any applicable water management district, state agency, county agency and/or federal agency having jurisdiction including, without limitation, the SBDD and SFWMD, over Centra Falls over, across and upon Centra Falls for drainage, irrigation and water management purposes. A non-exclusive easement for ingress, egress and access shall exist for such parties to enter upon and over any portion of Centra Falls (including Homes) in order to construct, maintain, inspect, record data on, monitor, test, or repair, as necessary, any water management areas, mitigation areas, irrigation systems and facilities thereon and appurtenances thereto. No structure, landscaping, or other material shall be placed or be permitted to remain which may damage or interfere with the drainage or irrigation of Centra Falls and/or installation or maintenance of utilities or which may obstruct or retard the flow of water through Centra Falls and/or water management areas and facilities or otherwise interfere with any drainage, irrigation and/or easement provided for in this Section or the use rights set forth elsewhere in this Declaration.

17.14 Reservation to Grant Additional Easements. The Developer reserves the right (but not the obligation) to grant, at any time in its sole and absolute discretion and prior to the Community Completion Date (without the joinder or consent of the Association or any other person or entity), or to cause the Association to grant, additional easements and rights-of-way in, to, over and upon portions of Centra Falls for such purposes as the Developer shall reasonably deem necessary or helpful in connection with the development, sale, use or operation of Centra Falls, including, without limitation, easements for improvements that may encroach upon any portion of the properties, including, without limitation, roads, driveways, walkways, sidewalks, parking spaces, retaining walls and utility lines and improvements. Each Owner, by acceptance of a deed to any Home or Lot and each mortgagee, by acceptance of a lien upon any Home or Lot, hereby authorizes the Developer to execute, on their behalf and without further authorization, such grants of easements or other instruments as may from time to time be necessary to grant easements and/or rights-of-way in, to, over and upon Centra Falls, or any portion thereof, in accordance with the provisions of this Declaration.

17.15 Blanket Easement in Favor of Association. Association is hereby granted an easement over all of Centra Falls, including all Homes, Townhome Buildings, Lots and Parcels, for the purpose of (a) constructing, maintaining, replacing and operating all Common Areas including, but not limited to, perimeter walls and fences, if any, (b) performing any obligation of an Owner for which Association intends to impose an Individual Assessment, and (c) performing any obligation of Association under this Declaration.

17.16 Blanket Easement in Favor Developer. Developer shall have blanket easements above, across and under Centra Falls. The easement shall permit, without limitation, all construction, maintenance and replacement activities of Developer.

17.17 Blanket Easement in Favor of City. The City shall have blanket easements above, across and under Centra Falls necessary for City operations. The easement shall permit, without limitation, all construction, maintenance, and replacement activities of the City.

17.18 Irrigation Line Easement. There is hereby reserved to Developer, its successors, assigns, and related and affiliated entities, and granted to CF II Association, its successors and assigns, (a) a perpetual non-exclusive easement in, on, under, over, across and through the Centra Falls for underground irrigation lines and associated and related facilities ("**CF II Irrigation Facilities**") which will carry irrigation water and connect to the irrigation system within Centra Falls II, together with the right to construct, install, connect, inspect, alter, relocate, modify, maintain, operate and repair the Irrigation Facilities as deemed necessary to Grantees to serve the common areas and residents of Centra Falls II, (b) a perpetual, non-exclusive easement in, on, under, over, across and through the Centra Fall for irrigation purposes necessary to serve Centra Falls II including, without limitation, the right to access lakes and waterbodies adjacent to Centra Falls as a source of water for irrigation as well as running irrigation lines and associated equipment to such lakes and waterbodies, and (c) a perpetual, non-exclusive easement over Centra Falls for purposes of ingress, egress and access to the Irrigation Facilities. Association shall sign an irrigation line easement in favor of Developer and CF II Association to be recorded in the Public Records of County as and to the extent requested by Developer.

17.19 Duration. All easements created in this Declaration or pursuant to the provisions of this Declaration shall be perpetual unless stated to the contrary.

18. Assessments.

18.1 Types of Assessments. Each Owner and Builder, by acceptance of a deed or instrument of conveyance for the acquisition of title in any manner (whether or not so expressed in the deed), including any purchaser at a judicial sale, shall hereafter be deemed to have covenanted and agreed to pay to Association at the time and in the manner required by the Board, assessments or charges and any special assessments as are fixed, established and collected from time to time by Association (collectively, the "Assessments"). All Owners and Builders shall pay Assessments. For the purpose of Assessments payable by a Builder, each Parcel shall be deemed to contain the number of Homes which can be built on such Parcel as determined by Developer in its sole and absolute discretion. Each Builder shall pay such portion of Operating Costs which benefits any Lot or Parcel owned by such Builder, as determined by Developer, in Developer's sole discretion and based on a Builder's budget. By way of example, and not of limitation, Developer may require that each Builder pay some portion of Assessments on a Lot or Parcel owned by a Builder which does not contain a Home. As vacant Lots or Parcels owned by Builders may not receive certain services (e.g., Telecommunications Services), Builders shall not be required to pay for the same.

18.2 Purpose of Assessments. The Assessments levied by Association shall be used for, among other things, the purpose of promoting the recreation, health and welfare of the residents of Centra Falls, and in particular for the improvement and maintenance of the Common Areas and any easement in favor of Association, including, but not limited to, the following categories of Assessments as and when levied and deemed payable by the Board and as otherwise provided in this Declaration:

18.2.1 Any monthly or quarterly assessment (as determined by the Board) or charge for the purpose of operating Association and accomplishing any and all of its purposes, as determined in accordance herewith, including, without limitation, payment of Operating Costs and collection of amounts necessary to pay any deficits from prior years' operation ("Installment Assessments");

18.2.2 Any special assessments for capital improvements, major repairs, emergencies, the repair or replacement of the Common Areas, or nonrecurring expenses ("Special Assessments");

18.2.3 Any specific fees, dues or charges to be paid by Owners for any special services provided to or for the benefit of an Owner or Home, for any special or personal use of the Common Areas, or to reimburse Association for the expenses incurred in connection with that service or use ("Use Fees");

18.2.4 Assessments of any kind for the creation of reasonable reserves for any of the aforesaid purposes and for the periodic maintenance, repair, and replacement of improvements comprising a portion of the Common Areas or portion of a Home for which Association has a responsibility to maintain, repair or replace pursuant to this Declaration. To the extent permitted by applicable law, at such time as there are improvements in any Common Areas for which Association has a responsibility to maintain, repair, and replace, the Board may, but shall have no obligation to, include a "Reserve for Replacement" in the Installment Assessments in order to establish and maintain an adequate reserve fund for the periodic maintenance, repair, and replacement of improvements comprising a portion of the Common Areas ("Reserves"). In addition, Reserves may be established for roof replacement and painting for Homes. Assessments pursuant to this Section shall be payable in such manner and at such times as determined by Association, and may be payable in installments extending beyond the fiscal year in which the Reserves are approved. If Reserves are established by the Developer, the Association's budget must designate the components for which the Reserves may be used. In addition, the Association may establish Reserves as provided in Section 18.11.4 of this Declaration. Once established by Association, Reserves may be waived or reduced as provided in Chapter 720 of the Florida Statutes. Except as otherwise provided by law, until the Community Completion Date, Reserves shall be subject to the prior written approval of Developer, which may be withheld for any reason; and

18.2.5 Assessments for which one or more Owners (but less than all Owners) within Centra Falls is subject ("Individual Assessments") such as costs of special services provided to a Home or Owner or cost relating to enforcement of the provisions of this Declaration or the architectural provisions hereof as it relates to a particular Owner or Home. By way of example, and not of limitation, certain Owners may be subject to Individual Assessments for maintenance, repair and/or replacement of facilities serving only those residents. Further, in the

event an Owner fails to maintain the exterior of his/her/its Home (other than those portions of a Home maintained by Association) in a manner satisfactory to Association, Association shall have the right, through its agents and employees, to enter upon the Home and to repair, restore, and maintain the Home as required by this Declaration. Such entrance shall not be deemed a trespass. The cost thereof, plus the reasonable administrative expenses of Association, shall be an Individual Assessment. The lien for an Individual Assessment may be foreclosed in the same manner as any other Assessment. As a further example, if one or more Owners receive optional Telecommunications Services such as Toll Calls, Cable Services and/or Data Transmission Services, and Association pays a Telecommunications Provider for such services, then the cost of such services shall be an Individual Assessment as to each Owner receiving such services. Further, in the event that Association decides it is in the best interest of Centra Falls that Association perform any other obligation of an Owner under this Declaration, the cost of performing such obligation shall be an Individual Assessment. The lien for Individual Assessments may be foreclosed in the same manner as a lien for any other Assessment. In no event shall Developer be subject to Individual Assessments.

18.3 Covenant for Maintenance Assessments for Association. Assessments shall also be used for the maintenance and repair of the surface water or stormwater management system including, but not limited to, work within drainage structures and drainage easements.

18.4 Designation. The designation of Assessment type shall be made by Association. Prior to the Community Completion Date, any such designation must be approved by Developer. Such designation may be made on the budget prepared by Association. The designation shall be binding upon all Owners.

18.5 Allocation of Operating Costs.

18.5.1 For the period until the adoption of the first annual budget, the allocation of Operating Costs shall be as set forth in the initial budget prepared by Developer.

18.5.2 Commencing on the first day of the period covered by the annual budget, and until the adoption of the next annual budget, Assessments shall be allocated so that each Owner shall pay his/her/its pro rata portion of Installment Assessments, Special Assessments, and Reserves. Each Owner of a Home shall be assessed on a uniform basis (with the exception of Individual Assessments) based upon a fraction, the numerator of which is one (1) and the denominator of which is the total number of Homes in Centra Falls conveyed to Owners or any greater number determined by Developer from time to time. Developer, in its sole discretion, may change such denominator from time to time. Under no circumstances will the denominator be less than the number of Homes owned by Owners other than Developer. BY ACCEPTANCE OF A DEED TO A HOME, EACH OWNER ACKNOWLEDGES THAT INSTALLMENT ASSESSMENTS, SPECIAL ASSESSMENTS AND RESERVES WILL BE ALLOCATED EQUALLY TO EACH OWNER REGARDLESS OF THE TYPE, SIZE, OR LOCATION OF A HOME, LOT OR PARCEL.

18.5.3 In the event the Operating Costs as estimated in the budget for a particular fiscal year are, after the actual Operating Costs for that period is known, less than the actual costs, then the difference shall, at the election of Association: (i) be added to the calculation of Installment Assessments, as applicable, for the next ensuing fiscal year; or (ii) be immediately collected from the Owners as a Special Assessment. Association shall have the unequivocal right to specially assess Owners retroactively from January 1st of any year for any shortfall in Installment Assessments, which Special Assessment shall relate back to the date that the Installment Assessments could have been made. No vote of the Owners shall be required for such Special Assessment (or for any other Assessment except to the extent specifically provided in this Declaration).

18.5.4 Each Owner agrees that so long as it does not pay more than the required amount it shall have no grounds upon which to object to either the method of payment or non-payment by other Owners of any sums due.

18.6 General Assessments Allocation. Except as specified to the contrary in this Declaration, Installment Assessments, Special Assessments and Reserves shall be allocated equally to each Owner.

18.7 Use Fees and Individual Assessment. Except as hereinafter specified to the contrary, Use Fees and Individual Assessments shall be made against the Owners benefiting from, or subject to the special service or cost as specified by Association.

18.8 Commencement of First Assessment. Assessments shall commence as to each Owner on the day of the conveyance of title of a Home to an Owner. The applicable portion of Assessments shall commence as to each Builder on the day of the conveyance of title of a Lot or Parcel to such Builder unless waived by Developer.

18.9 Deficit Funding, Guarantee of Assessments, Shortfalls and Surpluses. Each Owner acknowledges that because Installment Assessments, Special Assessments, and Reserves are allocated based on the formula provided in this Declaration, or upon the number of Homes conveyed to Owners on or prior to September 30 of the prior fiscal year, it is possible that Association may collect more or less than the amount budgeted for Operating Costs.

18.9.1 Deficit Funding. Except as may be otherwise provided by applicable law, prior to and including the Turnover Date, Developer shall have the option to either (i) fund the shortfall in Installment Assessments not raised by virtue of all income received by Association or (ii) to pay Installment Assessments on Homes, Lots or Parcels owned by Developer. If Developer has cumulatively over funded Operating Costs and/or prepaid expenses of Association which have not been reimbursed to Developer prior to and including the Turnover Date, Association shall refund such amounts to Developer on or prior to and including the Turnover Date or as soon as possible thereafter (e.g. once the amount is finally determined). Except as may otherwise be provided by applicable law, Developer shall never be required to (i) pay Installment Assessments if Developer has elected to fund the deficit instead of paying Installment Assessments on Homes, Lots or Parcels owned by Developer, or (ii) pay Special Assessments, management fees or Reserves.

18.9.2 Guarantee of Assessments.

18.9.2.1 Without limiting Developer's option under Section 18.9.1 of this Declaration, at the time of the recording of this Declaration, the Developer has the further option of either activating the below guarantee of Assessments by checking the box contained on the signature page of this Declaration, or leaving such box empty, in which event the Developer may still choose to fund all or any portion of the shortfall in Installment Assessments pursuant Section 18.9.1 above and as provided in Section 720.308 of the Florida Statutes without establishing a guarantee. Without limiting the provisions of Section 18.9.1 above, if the box contained on the signature page of this Declaration is checked, then Developer shall be excused from the payment of the share of Assessments relating to Homes it is offering for sale for a period beginning with the recording of this Declaration and ending the earlier of the date upon which Owners control the Board or when Interval No. 3 (as described below) expires (the "Guarantee Expiration Date"), provided that the regular Installment Assessments imposed on each Owner other than Developer shall not increase during the following intervals of time over the amount set forth for each interval and in no event shall the Guarantee Expiration Date extend beyond the date upon which Owners control the Board:

19.9.2.1.1 Interval No. 1 shall commence with the recording of this Declaration and end on December 31st of the year that this Declaration is recorded. Installment Assessments for Homes shall not exceed Two Hundred Eighty One Dollars and 75/100 (\$281.75) per month during Interval No. 1.

19.9.2.1.2 Interval No. 2 shall commence on January 1st following the year when Interval No. 1 ends and end on December 31st of that same year. Installment Assessments for Homes shall not exceed Three Hundred Twenty Four Dollars and 01/100 (\$324.01) per month during Interval No. 2.

19.9.2.1.3 Interval No. 3 shall commence on January 1st following the year when Interval No. 2 ends and end on December 31st of that same year. Installment Assessments for Homes shall not exceed Three Hundred Seventy Two Dollars and 61/100 (\$372.61) per month during Interval No. 3.

18.9.2.2 Developer shall be obligated to pay any amount of Operating Costs during such periods and not produced by the Assessments at the guaranteed levels receivable from Owners. The Guarantee Expiration Date may be unilaterally extended by Developer for one or more successive periods of six (6) months

each until such time as Developer does not own any Homes in Centra Falls, provided that the regular Installment Assessments for Operating Costs imposed equally on each Owner other than Developer shall not increase over the amount provided in Interval No. 3.

18.9.2.3 If an audit of the Association's financial records, performed for the period which includes the Guarantee Expiration Date (including any extensions thereof), reveals that Developer has funded a greater amount than required under this Section, then any such excess shall be promptly refunded to the Developer by Association.

18.9.3 Surpluses. Any surplus Assessments collected by Association may be (i) allocated towards next year's Operating Costs (ii) used to fund Reserves, whether or not budgeted (to the extent permitted by applicable law), (iii) retained by Association, and/or (iv) used for any other purpose, in Association's sole and absolute discretion, except as prohibited by law. Under no circumstances shall Association be required to pay surplus Assessments to Owners.

18.10 Budget. The initial budget prepared by Developer is adopted as the budget for the period of operation until adoption of the first annual Association budget and is not a contractual statement or guaranty of actual expense. Thereafter, annual budgets shall be prepared and adopted by the Board. To the extent Association has commenced or will commence operations prior to the date this Declaration is recorded or the first Home is closed, the Operating Costs may vary in one or more respects from that set forth in the initial budget. A Builder shall pay Assessments as per the Builder budget for each Lot or Parcel owned by such Builder commencing from the date the Builder obtained title to such Lot or Parcel. Developer shall fund entirely all Operating Costs not covered by Builders' Assessments until the month prior to the closing of the first Home. Thereafter, Assessments shall be payable by each Owner and Builder as provided in this Declaration. THE INITIAL BUDGET OF ASSOCIATION IS PROJECTED (NOT BASED ON HISTORICAL OPERATING FIGURES). THEREFORE, IT IS POSSIBLE THAT ACTUAL ASSESSMENTS MAY BE LESSER OR GREATER THAN PROJECTED. BUDGETS DO NOT TAKE INTO ACCOUNT INFLATION. BECAUSE THERE IS NO HISTORY OF OPERATION, IT IS IMPOSSIBLE TO PREDICT ACTUAL EXPENSES UNTIL ASSOCIATION BEGINS OPERATIONS. IT IS NOT INTENDED THAT AN OWNER RELY ON ANY BUDGET IN ELECTING TO PURCHASE A HOME. PROJECTIONS IN AN INITIAL BUDGET ARE AN EFFORT TO PROVIDE SOME INFORMATION REGARDING FUTURE OPERATING EXPENSES.

18.11 Establishment of Assessments. Assessments shall be established in accordance with the following procedures:

18.11.1 Installment Assessments shall be established by the adoption of a twelve (12) month operating budget by the Board. The budget shall be in the form required by Section 720.303(6) of the Florida Statutes, as amended from time to time. Written notice of the amount and date of commencement thereof shall be given to each Owner not less than ten (10) days in advance of the due date of the first installment thereof. Notwithstanding the foregoing, the budget may cover a period of less than twelve (12) months if the first budget is adopted mid-year or in order to change the fiscal year of Association. The Board may, from time to time, determine how the Assessments will be collected by Association (i.e. monthly, quarterly, or annually). Initially, Installment Assessments will be collected quarterly.

18.11.2 Special Assessments and Individual Assessments against the Owners of a Home may be established by Association, from time to time, and shall be payable at such time or time(s) as determined. Prior to the Turnover Date, the Board controlled by the Developer may not levy a Special Assessment unless a majority of Owners other than the Developer approve the Special Assessment by a majority vote at a duly noticed meeting of the Members at which a quorum is present. Until the Community Completion Date, no Special Assessment shall be imposed without the consent of Developer.

18.11.3 Association may establish Use Fees from time to time, by resolution, rule or regulation, or by delegation to an officer or agent, including, a Management Company. The sums established shall be payable by the Owner utilizing the service or facility as determined by Association.

18.11.4 If the budget of Association does not initially provide for Reserves, Association may establish Reserves upon the affirmative vote of a majority of the total voting interests of Association at a duly noticed meeting of the Members at which a quorum is present or upon written consent of a majority of all voting interests of Association. Such approval of Reserves must state that Reserves shall be provided for in the budget of Association and must designate the components for which reserve accounts are to be established. Upon such approval of Association, approved Reserves shall be included in the budget for the next fiscal year and thereafter unless waived or reduced as provided in Chapter 720 of the Florida Statutes. Once established by Association, Reserves may be waived or reduced as provided in Chapter 720 of the Florida Statutes.

18.12 Initial Contribution. The first purchaser of each Lot, Home, or Parcel at the time of closing of the conveyance from Developer to the purchaser shall pay to Developer an initial contribution in the amount equal to two (2) months' Assessments per Home ("Initial Contribution"). The funds derived from the Initial Contributions shall be used at the discretion of Developer for any purpose including, but not limited to, future and existing capital improvements, operating expenses, support costs and start-up costs. Developer may waive this requirement for some Parcels, Lots, and Homes, if the first purchaser is a Builder, and the Builder becomes unconditionally obligated to collect and pay the Initial Contribution upon the subsequent sale of each Parcel, Lot, and Home to an end purchaser.

18.13 Assessment Estoppel Certificates. No Owner shall sell or convey its interest in a Home unless all sums due Association have been paid in full and an estoppel certificate shall have been received by such Owner. Association shall prepare and maintain a ledger noting Assessments due from each Owner. The ledger shall be kept in the office of Association, or its designees, and shall be open to inspection by any Owner during normal business hours. Within fifteen (15) days after receiving a written request for an estoppel certificate from an Owner or a Lender or his/her/its designee, the Association shall provide an estoppel certificate signed by an officer or authorized agent of the Association setting forth whether Assessments and other moneys owed to the Association have been paid and/or the amount of all Assessments and other moneys owed to the Association along with the fee for the estoppel which shall be so stated on the face of the certificate to be paid by the Owner requesting the estoppel. As to parties other than Owners who, without knowledge of error, rely on the certificate, the certificate shall be conclusive evidence of the amount of any Assessment therein stated. The Association may charge the Owner a fee, as determined by the Association from time to time, for the preparation of the estoppel certificate and to cover the costs of examining records and preparing such estoppel certificate. The authority of the Association to charge a fee for the estoppel certificate must be established by a written resolution adopted by the Board or provided by a written management, bookkeeping or maintenance contract. Each Owner waives its rights (if any) to an accounting related to Operating Costs or Assessments.

18.14 Payment of Home Real Estate Taxes. Each Owner shall pay all taxes and obligations relating to its Home which, if not paid, could become a lien against the Home which is superior to the lien for Assessments created by this Declaration.

18.15 Creation of the Lien and Personal Obligation. Each Owner and Builder, by acceptance of a deed or instrument of conveyance for the acquisition of title to a Home or Parcel, shall be deemed to have covenanted and agreed that the Assessments, and/or other charges and fees set forth in this Declaration, including Charges, together with interest, late fees, costs and reasonable attorneys' fees, paraprofessional fees and costs, pre-trial and at all levels of proceedings, including appeals, shall be a charge and continuing lien in favor of Association encumbering the Home and all personal property located thereon owned by the Owner against whom each such Assessment is made. The lien is effective from and shall relate back to the date that this Declaration is recorded except as to bona fide first mortgages held by a Lender on any Home or Parcel in which event the lien is effective from and after recording a claim of lien in the Public Records. The claim of lien must state the legal description of the Home or Parcel, the name of the Owner, the name and address of the Association, the amounts due as of that date, and the due date. The claim of lien shall secure all unpaid Assessments and amounts that are due and that may accrue subsequent to the recording of the claim of lien and prior to the entry of a certificate of title, plus interest, late fees, reasonable attorneys' fees and paraprofessional fees and costs, pretrial and at all levels of proceedings, including appeals. Upon full payment of all sums secured by the claim of lien, the person making the payment shall be entitled to a satisfaction of the lien in recordable form, which satisfaction of lien must be in the form required by Section 720.3085 of the Florida Statutes, as such section may be renumbered from time to time. Notwithstanding the foregoing, Association may not file a claim of lien against a Home or Parcel for unpaid Assessments unless a written



notice or demand for past due Assessments and other amounts owed to the Association has been made by Association providing the Owner forty-five (45) days following the date of when such notice or demand is deposited in the mail to make payment of all amounts due, and which notice must be in the form required by, given the manner provided by, and otherwise comply with Section 720.3085 of the Florida Statutes, as such section may be renumbered from time to time. The claim of lien shall also cover any additional amounts which accrue thereafter until satisfied. Each Assessment, together with interest, late fees, costs and reasonable attorneys' fees and paraprofessional fees, pre-trial and at all levels of proceedings, including appeals, and other costs and expenses provided for in this Declaration, shall be the personal obligation of the person who was the Owner of the Home at the time when the Assessment became due, as well as the Owner's heirs, devisees, personal representatives, successors or assigns. Except as otherwise set forth in Sections 18.17 and 18.20 of this Declaration, an Owner, including an Owner who takes title as a result of being the successful bidder at a foreclosure sale or otherwise takes title as a result of a foreclosure of a mortgage on a Home or Parcel, is jointly and severally liable with the previous Owner for all unpaid Assessments that came due up to the time of transfer of title to the Home, provided, however such liability is without prejudice to any right the present Owner may have to recover any amounts paid by the present Owner from the previous Owner. Notwithstanding the foregoing, in the event the Association acquires title to a Home through foreclosure or deed in lieu of foreclosure, the Association shall not be liable for unpaid Assessments that came due up to the time of the Association acquiring title, and the liability of an Owner who obtains title from the Association is limited to any unpaid Assessments that accrued before the Association acquired title to the Home through foreclosure or deed in lieu of foreclosure.

18.16 Contest of Lien. An Owner may require the Association to enforce a recorded claim of lien against such Owner's Home or Parcel by recording a notice of contest of lien in the form required by Section 720.3085 of the Florida Statutes, as such section may be renumbered from time to time. The Association shall have ninety (90) days from service of a notice of contest of lien in which to file an action to enforce the lien and, if an action to enforce the lien is not filed within the ninety (90) day period, the lien is void. Such ninety (90) day period shall be extended for any length of time that the Association is prevented from filing an action because of an automatic stay resulting from the filing of a bankruptcy petition by the Owner or any other person claiming an interest in the Home or Parcel.

18.17 Subordination of the Lien to Mortgages. The lien for Assessments shall be subordinate to a bona fide first mortgage held by a Lender on any Home or Parcel if the mortgage is recorded in the Public Records prior to the claim of lien being recorded in the Public Records. The lien for Assessments shall be a lien superior to all other liens save and except tax liens and other levies which by law would be superior thereto, and mortgage liens held by a Lender, provided such mortgage liens are first liens against the property encumbered thereby. The lien for Assessments shall not be affected by any sale or transfer of a Home or Parcel, except in the event of a sale or transfer of a Home or Parcel pursuant to a foreclosure (or deed in lieu of foreclosure or otherwise) of a bona fide first mortgage held by a Lender, in which event the Foreclosing Lender shall not be liable for such sums secured by a lien for Assessments encumbering the Home or Parcel or chargeable to the former Owner of the Home or Parcel which became due prior to such sale or transfer except as otherwise provided in Section 18.20 of this Declaration. However, any such unpaid Assessments for which such Foreclosing Lender is not liable may be reallocated and assessed to all Owners (including such acquirer of title) as part of Operating Costs included within Installment Assessments. Any sale or transfer pursuant to a foreclosure (or by deed in lieu of foreclosure or otherwise) shall not relieve the Owner from liability for, nor the Home from the lien of, any Assessments made thereafter. Nothing in this Declaration shall be construed as releasing the party liable for any delinquent Assessments or other amounts from the payment thereof, or the enforcement of collection by means other than foreclosure. A Lender shall give written notice to Association if the mortgage held by such Lender is in default; provided, however, that failure to give such notice shall not in any way affect the rights of a Lender under this Declaration or the priority of a mortgage held by such Lender. Association shall have the right, but not the obligation, to cure such default within the time periods applicable to the Owner. In the event Association makes a mortgage payment to a Lender on behalf of an Owner, Association shall, in addition to all other rights reserved herein, be subrogated to all of the rights of the Lender with respect to such mortgage payment made but such right shall be subordinate to the rights of the Lender under the mortgage and the promissory note secured thereby. All amounts advanced on behalf of an Owner pursuant to this Section shall be added to Assessments payable by such Owner with appropriate interest.

18.18 Acceleration. In the event of a default in the payment of any Assessment, Association may accelerate the Assessments then due for up to the next ensuing twelve (12) month period.

18.19 Non-Payment of Assessments. If any Assessment is not paid within fifteen (15) days (or such other period of time established by the Board) after the due date, a late fee of \$25.00 per month (or such greater amount established by the Board) may be levied. In addition, any Assessments that are not paid when due shall bear interest in an amount equal to the maximum rate allowable by law (or such lesser rate established by the Board), per annum, beginning from the due date until paid in full. The late fee shall compensate Association for administrative costs, loss of use of money, and accounting expenses. Association may bring an action at law against the Owner personally obligated to pay the same, and/or foreclose the lien against the Home or Parcel, or both. An action to foreclose the lien may not be brought until forty-five (45) days after the Owner has been provided with notice of the Association's intent to foreclose the lien against the Home or Parcel and collect the unpaid amounts, which notice must be in the form required by and given in the manner provided in Section 720.3085 of the Florida Statutes, as such section may be renumbered from time to time, and which notice may not be given until forty-five (45) days after the date of Association's demand or notice of past due Assessments provided pursuant to Section 18.15 above (unless the Home or Parcel is subject to a foreclosure action or forced sale or the Owner is a debtor in bankruptcy). Association shall not be required to bring such an action if it believes that the best interests of Association would not be served by doing so. There shall be added to the Assessment all costs expended in preserving the priority of the lien and all costs and expenses of collection, including attorneys' fees and paraprofessional fees, pre-trial and at all levels of proceedings, including appeals. In any suit for the foreclosure of such lien, the Association shall be entitled to seek an order of court that it is entitled to (i) collect rent from the Owner if the Owner remains in possession of the Home or Parcel after judgment of foreclosure is entered, and (ii) obtain the appointment of a receiver for such Home or Parcel to collect rent if the Home is leased or rented during the pendency of the foreclosure action. Any payment of past due Assessments received and accepted by Association shall be applied first to any interest accrued, then to any late fee(s) due, then to any costs and reasonable attorneys' fees incurred in collecting the Assessment(s). No Owner may waive or otherwise escape liability for Assessments provided for in this Declaration by non-use of, or the waiver of the right to use the Common Areas or by abandonment of a Home. Notwithstanding the foregoing and in addition to other remedies provided by law and/or in this Declaration, and to the extent not prohibited by applicable law, if an Owner is delinquent for more than ninety (90) days in paying any monetary obligation due to the Association, then the Association may, in addition to any other remedies and after any notice required by Chapter 720 of the Florida Statutes, disconnect or deactivate certain services to the Owner or the Owner's Home, which includes the right to disconnect the Telecommunications Services (including cable television) to that Owner's Home (or cause it to be disconnected) if such Telecommunications Services are provided by or through the Association, and to deactivate the Owner's transponders, entry fobs, or access ID cards, if any, for the Centra Falls, until all past due monetary obligations to the Association (including late charges, interest, attorneys' fees, if any), disconnect charges, reconnect charges and Association service fees, if any, are paid in full.

18.20 Lender.

18.20.1 The liability of a Lender that acquires title to a Home or Parcel by foreclosure or deed in lieu of foreclosure of a bona fide first mortgage held by such Lender for the unpaid Assessments that became due prior to the Lender's acquisition of title is limited to the lesser of (i) the Home's or Parcel's unpaid regular periodic Assessments or Special Assessments which accrued or came due during the twelve (12) months immediately preceding the acquisition of title and for which payment in full has not been received by the Association or (ii) one percent (1%) of the original mortgage debt. The limitations contained in this Section 18.20.1 shall not apply unless the Lender filed suit against the Owner and initially joined the Association as a defendant in such foreclosure action. Joinder of the Association, however, is not required if, on the date the complaint is filed, the Association was dissolved or did not maintain an office or agent for service of process at a location that was known or reasonably discoverable by the Lender.

18.20.2 The provisions of this Section 18.20 shall not be available to shield a Lender from liability for Assessments in any case where the unpaid Assessments sought to be recovered by the Association are secured by a lien recorded prior to the recording of the mortgage.

18.20.3 In the event of the acquisition of title to a Home or Parcel by foreclosure or judicial sale or by deed in lieu of foreclosure, any Assessment(s) or charge(s) as to which the Foreclosing Lender so acquiring title shall not be liable shall be absorbed and paid by all Owners as part of Operating Costs, although nothing contained herein shall be construed as releasing the party(ies) personally liable for such delinquent Assessment(s) or

charge(s) from the payment thereof or the enforcement of collection of such payment by means other than foreclosure.

18.21 Exemption. Except as otherwise expressly provided in this Declaration, Developer shall not be responsible for any Assessments of any nature or any portion of Operating Costs prior to the Turnover Date. Except as may otherwise be provided by applicable law or as otherwise provided in this Declaration, Developer, at Developer's sole option, may pay Assessments on Homes owned by it, fund the deficit, if any, as set forth in Section 18.9.1 of this Declaration, or guarantee Assessments as set forth in Section 18.9.2 of this Declaration. In addition, the Developer, prior to the Community Completion Date, and thereafter the Board shall have the right to exempt any portion of Centra Falls subject to this Declaration from the Assessments, provided that such portion of Centra Falls exempted is used (and as long as it is used) for any of the following purposes:

18.21.1 Any easement or other interest therein dedicated and accepted by the local public authority and devoted to public use;

18.21.2 Any real property interest held by a Telecommunications Provider;

18.21.3 Any of Centra Falls exempted from ad valorem taxation by the laws of the State of Florida or exempted from Assessments by other provisions of this Declaration; or

18.21.4 Any Association Common Areas.

18.22 Collection by Developer. If for any reason Association shall fail or be unable to levy or collect Assessments, then in that event, Developer shall at all times have the right, but not the obligation: (i) to advance such sums as a loan to Association to bear interest and to be repaid as hereinafter set forth; and/or (ii) to levy and collect such Assessments by using the remedies available as set forth above, which remedies; including, but not limited to, recovery of attorneys' fees, paraprofessional fees and costs, pre-trial and at all levels of proceedings, including appeals, shall be deemed assigned to Developer for such purposes. If Developer advances sums, it shall be entitled to immediate reimbursement, on demand, from Association for such amounts so paid, plus interest thereon at the Wall Street Journal Prime Rate plus two percent (2%), plus any costs of collection including, but not limited to, reasonable attorneys' fees and paraprofessional fees and costs, pre-trial and at all levels of proceedings, including appeals.

18.23 Rights to Pay Assessments and Receive Reimbursement. Association, Developer and any Lender of a Home shall have the right, but not the obligation, jointly and severally, and at their sole option, to pay any Assessments or other charges which are in default and which may or have become a lien or charge against any Home or Parcel. If so paid, the party paying the same shall be subrogated to the enforcement rights of Association with regard to the amounts due.

18.24 Collection of Assessments. Assessments shall be paid by each Owner to Association. Collection proceedings for an Owner's failure to pay Assessments may be brought by Association.

18.25 Mortgagee Right. Each Lender may request in writing that Association notify such Lender of any default of the Owner of the Home subject to the Lender's mortgage under the Association Documents which default is not cured within thirty (30) days after Association learns of such default. A failure by Association to furnish notice to any Lender shall not result in liability of Association because such notice is only given as a courtesy to a Lender and the furnishing of such notice is not an obligation of Association to Lender.

18.26 Payments by Lessees, Licensees or Occupants.

18.26.1 Demand by Association. If a Home is occupied by a Lessee, licensee, or occupant and the Owner of such Home is delinquent in paying any monetary obligation due to the Association, the Association may demand that the Lessee, licensee, or occupant pay to Association the subsequent rental or other monetary obligations and continue to make such payments until all the monetary obligations of the Owner related to the Home have been paid in full to the Association and the Association releases the Lessee, licensee or occupant or the Lessee, licensee or occupant discontinues tenancy in the Home. The Association's demand for payment from the Lessee,

licensee, or occupant must be hand delivered or provided by United States mail and must be substantially in the form required by Section 720.3085(8), Florida Statutes, and the Association shall mail written notice to the Owner of the Association's demand that the Lessee, licensee or occupant pay monetary obligations to the Association. Upon payment by the Lessee, licensee or occupant, the Lessee, licensee or occupant shall be given a credit against rent or occupancy fees due to the Owner in an amount of Assessments paid to the Association.

18.26.2 Prepaid Rent and other Occupancy Fees. If a Lessee, licensee or occupant paid rent or other fees for occupancy of the Home for a given rental or occupancy period before receiving a demand from the Association and such Lessee, licensee or occupant provides written evidence to the Association of having paid the rent or other fees within fourteen (14) days after receiving the demand, the Lessee, licensee or occupant shall begin making rental payments to the Association for the following rental period and shall continue making rental or other payments to the Association to be credited against the monetary obligations of the Owner to the Association until the Association releases the Lessee, licensee or occupant or the Lessee, licensee or occupant discontinues tenancy in the Home. The Association shall, upon request, provide the Lessee, licensee or occupant with written receipts for payments made.

18.26.3 Increases in Monetary Obligations. The liability of the Lessee, licensee, or occupant under this Section 18.26 may not exceed the amount due from the Lessee, licensee, or occupant to the Lessee's, licensee's or occupant's landlord. The Lessee, licensee or occupant shall be given a credit against rents or other amounts due to the landlord in the amount of Assessments paid to the Association.

18.26.4 Association Rights Under Chapter 83, Florida Statutes. The Association may issue notices under Section 83.56, Florida Statutes, and may sue for eviction under Sections 83.59-83.625, Florida Statutes (as the same may be renumbered from time to time), as if the Association were a landlord under Part II of Chapter 83, Florida Statutes, if the Lessee, licensee or occupant fails to pay any monetary obligation after demand by the Association. Notwithstanding the foregoing, the Association shall not otherwise be considered a landlord under Chapter 83, Florida Statutes and specifically has no obligations under Section 83.51, Florida Statutes (as the same may be renumbered from time to time).

18.26.5 No Rights as Owner. A Lessee, licensee or occupant shall not, by virtue of payment of monetary obligations to the Association, have any of the rights of an Owner to vote in any election or to examine the books and records of the Association.

19. Information to Lenders and Owners.

19.1 Availability. Current copies of Association Documents, and books, records and financial statements of the Association shall be available for inspection by Owners and Lenders, and to holders, insurers, or guarantors of any first mortgage on a Home upon written request and during normal business hours or under other reasonable circumstances.

19.2 Copying. Any Owner and/or Lender shall be entitled, upon written request, and at its cost, to a copy of the documents referred to above.

19.3 Notice. Upon written request to the Association by a Lender (identifying the name and address of the Lender and the name and address of the applicable Owner), the Lender will be entitled to timely written notice of:

19.3.1 Any condemnation loss or casualty loss which affects a material portion of a Home to the extent Association is notified of the same;

19.3.2 Any delinquency in the payment of Assessments owed by an Owner of a Home or Lot subject to a first mortgage held by the Lender, which remains uncured for a period of sixty (60) days;

19.3.3 Any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained under this Declaration; or

19.3.4 Any proposed action (if any) which would require the consent of a specific mortgage holder.

19.4 Consent of Lenders. Whenever the consent or approval of any, or a specified percentage or portion of Lenders are required by this Declaration, the Articles, the Bylaws, or any applicable statute or law, to any amendment of the Declaration, the Articles, or the Bylaws, or to any action of the Association, or to any other matter relating to Centra Falls, the Association may request such consent or approval of such Lender(s) by written request sent certified mail, return receipt requested (or equivalent delivery evidencing such request was delivered to and received by such Lenders). Any Lender receiving such request shall be required to consent to or disapprove the matter for which the consent or approval is requested, in writing, by certified mail, return receipt requested (or equivalent delivery evidencing such request was delivered to and received by the Association), which response must be received by the Association within thirty (30) days after the Lender receives such request, and if such response is not timely received by the Association, the Lender shall be deemed to have consented to and approved the matter for which such approval or consent was requested. Such consent or approval given or deemed to have been given, where required, may be evidenced by an affidavit signed by an officer of the Association, which affidavit, where necessary, may be recorded in the Public Records, and which affidavit shall be conclusive evidence that the applicable consent or approval was given as to the matters contained therein. The foregoing shall not apply where an Lender is otherwise required to specifically join in an amendment to this Declaration.

19.5 Conflicts. As determined by Developer, there may be incorporated as part of this Declaration and, where applicable, the Articles and By-Laws, any and all provisions which nor or hereafter may be required under the regulations or guidelines of FNMA, FHLMC, GNMA, VA and/or FHA so as to make any first mortgage encumbering a Home eligible for purchase by FNMA, FHLMC or GNMA, and eligible under VA or FHA, and such provisions shall supersede any conflicting matters contained in this Declaration, the Articles or By-Laws, except to the extent compliance with any regulation or guideline is waived by FNMA, FHLMC, GNMA, VA or FHA. Should FNMA, FHLMC, GNMA, VA or FHA require an amendment to this Declaration, the Articles or By-Laws, then such amendment may be made by the Developer or Association without regard to any other provision in this Declaration, the Articles or By-Laws regarding amendments, without the joinder or consent of any person.

20. Architectural Control The following architectural control provisions govern Centra Falls.

20.1 Architectural Review Committee. The ARC shall be a permanent committee of Association and shall administer and perform the architectural and landscape review and control functions relating to Centra Falls. The ARC shall consist of a minimum of three (3) members who shall initially be named by Developer and who shall hold office at the pleasure of Developer. The ARC shall have the right to form subcommittees consisting of representatives from Association to review ARC applications. The ARC shall oversee such subcommittees and shall take precedence over any decision made by such subcommittees. Until the Community Completion Date, Developer shall have the right to change the number of members on the ARC, and to appoint, remove, and replace all members of the ARC in its sole discretion. Developer shall determine which members of the ARC shall serve as its chairman and co-chairman. In the event of the failure, refusal, or inability to act of any of the members appointed by Developer, Developer, in its sole discretion, shall have the right to replace any member within thirty (30) days of such occurrence. If Developer fails to replace that member, the remaining members of the ARC shall fill the vacancy by appointment. From and after the Community Completion Date, the Board shall have the same rights as Developer with respect to the ARC. The ARC shall enforce the Community Standards as set forth in this Declaration.

20.2 Membership. There is no requirement that any member of the ARC be an Owner or a member of Association.

20.3 General Plan. It is the intent of this Declaration to create a general plan and scheme of development of Centra Falls. Accordingly, the ARC shall have the right and authority to approve or disapprove all architectural, landscaping, and improvements within Centra Falls by Owners other than Developer. The ARC shall have the right to evaluate and approve or disapprove all plans and specifications as to harmony of exterior design, landscaping, location, size, type, and appearance of any proposed structures or improvements, relationship to surrounding structures or improvements, topography and conformity with the Community Standards and such other published guidelines and standards as may be adopted by the ARC from time to time. The ARC may impose

standards for construction and development which may be greater or more stringent than standards prescribed in applicable building, zoning, or other local governmental codes. Prior to the Community Completion Date, any additional guidelines or standards or modification of existing guidelines or standards, including, without limitation, the Community Standards, shall require the consent of Developer, which may be granted or denied in its sole discretion. Centra Falls was developed with the intent that its Homes and other improvements harmonize with each other and present a consistent style. To ensure the preservation of this harmonious design and to prevent the introduction of design or improvements which are not in keeping with the Centra Falls community as originally constructed, the Developer and the Board hereby jointly recognize and adopt the style and form of Centra Falls, as originally, and to be constructed by the Developer with respect to architectural style, colors and materials as the standard (the "Standard"). Any other architectural style, color and material are prohibited unless approved in writing by the Developer prior to the Community Completion Date, and thereafter by the Board. Prior to the Community Completion Date, the Developer may continue to build out Centra Falls with such architectural style, colors and materials it deems to be in the best interest of Centra Falls and such improvements shall be incorporated into the Standard. The Standard shall continue in effect until the adoption and publication of other guidelines and standards as may be promulgated from time to time by the Developer prior to the Community Completion Date and thereafter the Board. Notwithstanding anything to the contrary contained in this Section 20.3, the terms and provisions of any other paragraphs in the Association Documents setting forth a particular architectural style, color or material with respect to any improvements within Centra Falls shall control to the extent of any conflict or inconsistency with the Standard set forth in this Section 20.3.

20.4 Master Plan. Developer has established an overall Master Plan. However, notwithstanding the above, or any other document, brochures or plans, Developer reserves the right to modify the Master Plan or any site plan at any time as it deems desirable in its sole discretion and in accordance with applicable laws and ordinances. WITHOUT LIMITING THE FOREGOING, DEVELOPER AND/OR BUILDERS MAY PRESENT TO THE PUBLIC OR TO OWNERS RENDERINGS, PLANS, MODELS, GRAPHICS, TOPOGRAPHICAL TABLES, SALES BROCHURES, OR OTHER PAPERS RESPECTING CENTRA FALLS. SUCH RENDERINGS, PLANS, MODELS, GRAPHICS, TOPOGRAPHICAL TABLES, SALES BROCHURES, OR OTHER PAPERS ARE NOT A GUARANTEE OF HOW CENTRA FALLS WILL APPEAR UPON COMPLETION AND DEVELOPER RESERVES THE RIGHT TO CHANGE ANY AND ALL OF THE FOREGOING AT ANY TIME AS DEVELOPER DEEMS NECESSARY IN ITS SOLE AND ABSOLUTE DISCRETION.

20.5 Community Standards. Each Owner and their contractors and employees shall observe, and comply with, the Community Standards, which now or may hereafter be promulgated by the ARC and approved by the Board from time to time. The Community Standards shall be effective from the date of adoption; shall be specifically enforceable by injunction or otherwise; and shall have the effect of covenants as if set forth in this Declaration verbatim. The Community Standards shall not require any Owner to alter the improvements previously constructed. Until the Community Completion Date, Developer shall have the right to approve the Community Standards, which approval, may be granted or withheld in its sole discretion.

20.6 Quorum. A majority of the ARC shall constitute a quorum to transact business at any meeting. The action of a majority present at a meeting at which a quorum is present shall constitute the action of the ARC. Meetings of the ARC shall be open to all Members.

20.7 Power and Duties of the ARC. The ARC shall have the right and authority to review and approve and disapprove plans and specifications for the exterior design, landscaping, location, size, type or appearance of any proposed structures or improvements, Home, structure or other improvement on a Lot or Parcel. No structures or improvements shall be constructed on any portion of Centra Falls, no exterior of a Home shall be repainted, no landscaping, sign, or improvements erected, removed, planted, or maintained on any portion of Centra Falls, nor shall any material addition to or any change, replacement, or alteration of the improvements as originally constructed by Developer (visible from the exterior of the Home) be made until the plans and specifications showing the nature, kind, shape, height, materials, floor plans, color scheme, and the location of same shall have been submitted to and approved in writing by the ARC.

20.8 Procedure. In order to obtain the approval of the ARC, each Owner of a Home shall observe the following:

20.8.1 Each applicant shall submit an application to the ARC with respect to any proposed improvement or material change in an improvement, together with the required application fee(s) and other fee(s) as established by the ARC. The applications shall include such information as may be required by the application form adopted by the ARC. The ARC may also require submission of samples of building materials and colors proposed to be used. At the time of such submissions, the applicant shall, if requested, submit to the ARC, such site plans, plans and specifications for the proposed improvement, prepared and stamped by a registered Florida architect or residential designer, and landscaping and irrigation plans, prepared by a registered landscape architect or designer showing all existing trees and major vegetation stands and surface water drainage plan showing existing and proposed design grades, contours relating to the predetermined ground floor finish elevation, pool plans and specifications and the times scheduled for completion, all as reasonably specified by the ARC.

20.8.2 In the event the information submitted to the ARC is, in the ARC's opinion, incomplete or insufficient in any manner, the ARC may request and require the submission of additional or supplemental information. The applicant shall, within fifteen (15) days thereafter, comply with the request.

20.8.3 No later than thirty (30) days after receipt of all information required by the ARC for final review, the ARC shall approve or deny the application in writing. The ARC shall have the right to refuse to approve any plans and specifications which are not suitable or desirable, in the ARC's sole discretion, for aesthetic or any other reasons or to impose qualifications and conditions thereon. In approving or disapproving such plans and specifications, the ARC shall consider the suitability of the proposed improvements, the materials of which the improvements are to be built, the site upon which the improvements are proposed to be erected, the harmony thereof with the surrounding area and the effect thereof on adjacent or neighboring property. In the event the ARC fails to respond within such thirty (30) day period, the plans and specifications shall be deemed disapproved by the ARC.

20.8.4 Construction of all improvements shall be completed within the time period set forth in the application and approved by the ARC.

20.8.5 In the event that the ARC disapproves any plans and specifications, the applicant may request a rehearing by the ARC for additional review of the disapproved plans and specifications. The meeting shall take place no later than thirty (30) days after written request for such meeting is received by the ARC, unless applicant waives this time requirement in writing. The ARC shall make a final written decision no later than thirty (30) days after such meeting. In the event the ARC fails to provide such written decision within such thirty (30) days, the plans and specifications shall be deemed disapproved.

20.8.6 Upon final disapproval (even if the members of the Board and ARC are the same), the applicant may appeal the decision of the ARC to the Board within thirty (30) days of the ARC's written review and disapproval. Review by the Board shall take place no later than thirty (30) days subsequent to the receipt by the Board of the Owner's request therefore. If the Board fails to hold such a meeting within thirty (30) days after receipt of request for such meeting, then the plans and specifications shall be deemed approved. The Board shall make a final decision no later than thirty (30) days after such meeting. In the event the Board fails to provide such written decision within such thirty (30) days after such meeting, such plans and specifications shall be deemed approved. The decision of the ARC, or if appealed, the Board, shall be final and binding upon the applicant, its heirs, legal representatives, successors and assigns.

20.9 Alterations. Any and all alterations, deletions, additions and changes of any type or nature whatsoever to then existing improvements or the plans or specifications previously approved by the ARC, including, but not limited to, changes relating to exterior design, landscaping, location, size, type and appearance, shall be subject to the approval of the ARC in the same manner as required for approval of original plans and specifications. Notwithstanding the foregoing, the ARC shall have no right to approve any changes to a Home not visible from the exterior of a Home.

20.10 Variances. Association or ARC shall have the power to grant variances from any requirements set forth in this Declaration or from the Community Standards, on a case by case basis, provided that the variance sought is reasonable and results from a hardship upon the applicant; provided, however, neither Association nor the ARC shall enforce any policy or restriction that is inconsistent with the rights and privileges of an Owner set forth in this Declaration or the Community Standards. The granting of a variance shall not nullify or otherwise affect the

right to require strict compliance with the requirements set forth in this Declaration or in the Community Standards on any other occasion.

20.11 Permits. The Owner is solely responsible to obtain all required building and other permits from all governmental authorities having jurisdiction.

20.12 Construction by Owners. The following provisions govern construction activities by Owners after consent of the ARC has been obtained:

20.12.1 Each Owner shall deliver to the ARC, if requested, copies of all construction and building permits as and when received by the Owner. Each construction site in Centra Falls shall be maintained in a neat and orderly condition throughout construction. Construction activities shall be performed on a diligent, workmanlike and continuous basis. Roadways, easements, swales, Common Areas and other such areas in Centra Falls shall be kept clear of construction vehicles, construction materials and debris at all times. Except for Developer's use, no construction office or trailer shall be kept in Centra Falls and no construction materials shall be stored in Centra Falls subject, however, to such conditions and requirements as may be promulgated by the ARC. All refuse and debris shall be removed or deposited in a dumpster on a daily basis. No materials shall be deposited or permitted to be deposited in Common Areas or Homes in Centra Falls or be placed anywhere outside of the Home upon which the construction is taking place. No hazardous waste or toxic materials shall be stored, handled and used, including, without limitation, gasoline and petroleum products, except in compliance with all applicable federal, state and local statutes, regulations and ordinances, and shall not be deposited in any manner on, in or within the construction or adjacent property or waterways. All construction activities shall comply with the Community Standards. If a contractor or Owner shall fail to comply in any regard with the requirements of this Section, the ARC may require that such Owner or contractor post security with Association in such form and such amount deemed appropriate by the ARC in its sole discretion.

20.12.2 There shall be provided to the ARC, if requested, a list (name, address, telephone number, license number, and identity of contact person), of all contractors, subcontractors, materialmen and suppliers (collectively, "**Contractors**") and changes to the list as they occur relating to construction. Each Builder and all of its employees and Contractors and their employees shall utilize those roadways and entrances into Centra Falls as are designated by the ARC for construction activities. The ARC shall have the right to require that each Builder's and Contractor's employees check in at the designated construction entrances and to refuse entrance to persons and parties whose names are not registered with the ARC.

20.12.3 Each Owner is responsible for ensuring compliance with all terms and conditions of these provisions and of the Community Standards by all of its employees and Contractors. In the event of any violation of any such terms or conditions by any employee or Contractor, or, in the opinion of the ARC, the continued refusal of any employee or Contractor to comply with such terms and conditions, after five (5) days' notice and right to cure, the ARC shall have, in addition to the other rights hereunder, the right to prohibit the violating employee or Contractor from performing any further services in Centra Falls.

20.12.4 The ARC may, from time to time, adopt standards governing the performance or conduct of Owners, Contractors and their respective employees within Centra Falls. Each Owner of a and Contractor shall comply with such standards and cause its respective employees to also comply with same. The ARC may also promulgate requirements to be inserted in all contracts relating to construction within Centra Falls and each Owner shall include the same therein.

20.13 Inspection. There is specifically reserved to Association and ARC and to any agent or member of either of them, the right of entry and inspection upon any portion of Centra Falls at any time within reasonable daytime hours, for the purpose of determination whether there exists any violation of the terms of any approval or the terms of this Declaration or the Community Standards.

20.14 Violation. Without limiting any other provision herein, if any improvement shall be constructed or altered without prior written approval, or in a manner which fails to conform with the approval granted, the Owner shall, upon demand of Association or the ARC, cause such improvement to be removed, or restored until approval is obtained or in order to comply with the plans and specifications originally approved. The Owner shall



be liable for the payment of all costs of removal or restoration, including all attorneys' fees, paraprofessional fees and costs, pre-trial and at all levels of proceedings, including appeals, incurred by Association or ARC. The costs shall be deemed an Individual Assessment and enforceable pursuant to the provisions of this Declaration. The ARC and/or Association are specifically empowered to enforce the architectural and landscaping provisions of this Declaration and the Community Standards, by any legal or equitable remedy.

20.15 Court Costs. In the event that it becomes necessary to resort to litigation to determine the propriety of any constructed improvement or to cause the removal of any unapproved improvement, Association and/or ARC shall be entitled to recover court costs, expenses and attorneys' fees and paraprofessional fees, pre-trial and at all levels of proceedings, including appeals, in connection therewith.

20.16 Certificate. In the event that any Owner of a Home fails to comply with the provisions contained in this Declaration, the Community Standards, or other rules and regulations promulgated by the ARC, Association and/or ARC may, in addition to all other remedies contained herein, record a certificate of non-compliance against the Home stating that the improvements on the Home fail to meet the requirements of this Declaration and that the Home is subject to further enforcement remedies.

20.17 Certificate of Compliance. If requested by an Owner, prior to the occupancy of any improvement constructed or erected on any Home by anyone other than Developer, or its designees, the Owner of a Home thereof shall obtain a certificate of compliance from the ARC, certifying that the Owner has complied with the requirements set forth in this Declaration. The ARC may, from time to time, delegate to a member or members of the ARC, the responsibility for issuing the certificate of compliance. The issuance of a certificate of compliance does not abrogate the ARC's rights set forth in Section 20.13 of this Declaration.

20.18 Exemption. Notwithstanding anything to the contrary contained in this Declaration, or in the Community Standards, any improvements of any nature made or to be made by Developer, Builder, or their nominees, including, without limitation, improvements made or to be made to the Common Areas or any Home, shall not be subject to the review of the ARC, Association, or the provisions of the Community Standards. In addition, changes to a Home not visible from the exterior of a Home shall not be subject to the review of the ARC.

20.19 Exculpation. The ARC's rights of review and approval or disapproval of plans and other submissions under this Declaration are intended solely for the benefit of the ARC and Association. Neither the ARC, the Association, the Developer, nor any of their respective officers, directors, shareholders, members, partners, managers, employees, agents, contractors, consultants or attorneys shall be liable to any Owner or any other party by reason of mistakes in judgment, failure to point out or correct deficiencies in any plans or other submissions, negligence, or any other misfeasance, malfeasance or non-feasance arising out of or in connection with the approval or disapproval of any plans or submissions except as otherwise expressly provided by Section 720.3035 of the Florida Statutes. Anyone submitting plans or other submissions, by the submission of the same, and any Owner, by acquiring title to a Home, agrees not to seek damages from the Developer, the ARC and/or the Association or any of their respective officers, directors, shareholders, members, managers, employees, agents, contractors, consultants or attorneys arising out of the ARC's review of any plans or other submissions under this Declaration except as otherwise expressly permitted by Section 720.3035 of the Florida Statutes. Without limiting the generality of the foregoing, the ARC shall not be responsible for reviewing, nor shall its review of any plans be deemed approval of, any plans or other submissions from the standpoint of structural safety, soundness, workmanship, materials, usefulness, conformity with building or other codes or industry standards, or compliance with governmental requirements. Each party submitting plans, specifications and other submissions for approval shall be solely responsible for the sufficiency thereof and for the quality of construction performed pursuant thereto. Further, each Owner agrees to indemnify and hold Developer, Association and the ARC harmless from and against any and all costs, claims (whether rightfully or wrongfully asserted), damages, expenses or liabilities whatsoever (including, without limitation, reasonable attorneys' fees and costs, pre-trial and at all levels of proceedings, including appeals), arising out of any review of plans by the ARC under this Declaration except as otherwise expressly prohibited by law.

21. Owners Liability.

21.1 Loop System Irrigation. Some or all Homes and Common Areas may receive irrigation pursuant to a loop system. If an Owner desires to make any alterations or improvements to a Home, Lot or Parcel that in any way affects the loop irrigation system, if any, then the Owner shall be responsible for taking measures to “cap off” the main line of the loop irrigation system that leads to the Home, Lot or Parcel. In addition, the Owner shall be obligated to obtain the prior written approval of Association before taking any action that may adversely affect the loop irrigation system. Once the main line is “capped off,” the Owner shall then be responsible for maintaining the irrigation system for his or her Home, Lot or Parcel. Any damages to the Home, Lot, or Parcel resulting from an Owner’s failure to comply with the terms set forth in this Declaration shall be the sole responsibility of such Owner and Developer and Association shall not be liable for the same. Furthermore, each Owner understands that as provided in this Declaration, an Owner may be permitted to install, without limitation, a patio, and/or screened enclosure (“**Improvement**”) on the Home upon the prior written approval of the ARC as set forth in this Declaration and/or the Community Standards. If an Improvement is approved to be installed, then a five (5) foot gate must also be installed. Before the ARC approves the installation of an Improvement, the irrigation system that will be within the Improvement portion of that Home must be re-routed, if necessary, by a professional irrigation company. In order for the ARC to approve the Improvement installation, a letter or other evidence by a professional irrigation company must be given to the ARC at least ten (10) days before the Improvement installation stating that the effectiveness of Centra Falls drainage system will not be affected by the re-routing of the irrigation system. Should an Owner install the Improvement without providing the necessary letter or other evidence from a professional irrigation company in advance as required in this Declaration, then Association may conduct the necessary inspection, repair any necessary drainage facilities and charge the work as an Individual Assessment to such Owner, all as further provided in this Declaration and/or Community Standards.

21.2 Right to Cure. Should any Owner do any of the following:

21.2.1 fail to perform its responsibilities as set forth in this Declaration or otherwise breach the provisions of the Declaration including, without limitation, any provision in this Declaration benefiting SFWMD and/or SBDD; or

21.2.2 cause any damage to any improvement or Common Areas; or

21.2.3 impede Developer or Association from exercising its rights or performing its responsibilities hereunder; or

21.2.4 undertake unauthorized improvements or modifications to a Home or the Common Areas; or

21.2.5 impede Developer from proceeding with or completing the development of Centra Falls;

then, Developer and/or Association, where applicable, after reasonable prior written notice, shall have the right, through its agents and employees, to cure the breach, including, but not limited to, entering upon the Home and causing the default to be remedied and/or the required repairs or maintenance to be performed, or as the case may be, removing unauthorized improvements or modifications. The cost thereof, plus reasonable overhead costs and attorneys’ fees and paraprofessional fees, pre-trial and at all levels of proceedings, including appeals, incurred shall be assessed against the Owner as an Individual Assessment or otherwise.

21.3 Non-Monetary Defaults. In the event of a violation by any Owner, other than the nonpayment of any Assessment or other monies, of any of the provisions of this Declaration, Developer or Association shall notify the Owner of the violation, by written notice. If such violation is not cured as soon as practicable and in any event within seven (7) days after such written notice, the party entitled to enforce same may, at its option:

21.3.1 Commence an action to enforce the performance on the part of the Owner or to enjoin the violation or breach or for equitable relief as may be necessary under the circumstances, including injunctive relief; and/or

21.3.2 Commence an action to recover damages; and/or

21.3.3 Take any and all action reasonably necessary to correct the violation or breach.

21.4 Expenses. All expenses incurred in connection with the violation or breach, or the commencement of any action against any Owner, including reasonable attorneys' fees, paraprofessional fees and costs, pre-trial and at all levels of proceedings, including appeals, shall be assessed against the Owner, as an Individual Assessment, and shall be immediately due and payable without further notice.

21.5 No Waiver. The failure of the Developer, Association and/or the ARC to enforce any right, provision, covenant or condition in this Declaration, shall not constitute a waiver of the right to enforce such right, provision, covenant or condition in the future.

21.6 Rights Cumulative. All rights, remedies, and privileges granted to Developer, Association and/or the ARC pursuant to any terms, provisions, covenants or conditions of this Declaration, or Community Standards, shall be deemed to be cumulative, and the exercise of any one or more shall neither be deemed to constitute an election of remedies, nor shall it preclude any of them from pursuing such additional remedies, rights or privileges as may be granted or as it might have by law.

21.7 Enforcement By or Against Other Persons. In addition to the foregoing, this Declaration or Community Standards may be enforced by Developer and/or, where applicable, Owners and/or Association by any procedure at law or in equity against any person violating or attempting to violate any provision in this Declaration, to restrain such violation, to require compliance with the provisions contained in this Declaration, to recover damages, or to enforce any lien created in this Declaration. The expense of any litigation to enforce this Declaration or Community Standards shall be borne by the person against whom enforcement is sought, provided such proceeding results in a finding that such person was in violation of this Declaration or the Community Standards.

21.8 Fines and Suspensions. To the extent not prohibited by applicable law, Association may suspend the rights of an Owner and an Owner's tenants, Lessees, licensees, guests, invitees, and/or occupants, or both, to use the Common Areas and may levy reasonable fines, not to exceed the maximum amounts permitted by Section 720.305(2) of the Florida Statutes, against an Owner, tenant, Lessee, licensee, guest, invitee, or occupant for failure to comply with any provision of this Declaration including, without limitation, those provisions benefiting the SFWMD and/or SBDD, the By-Laws, the Articles, the Rules and Regulations, the Community Standards and any other Association Document. In addition, the Association may suspend the rights of an Owner and an Owner's Lessees, tenants, licensees, guests, invitees and/or occupants to use the Common Areas if the Owner is more than ninety (90) days delinquent in paying any monetary obligation to the Association.

21.8.1 A fine may be levied by the Board for each day of a continuing violation, with a single notice and opportunity for hearing. Fines in the aggregate are not capped to any amount.

21.8.2 A fine or suspension of use rights, other than a suspension as a result of being more than ninety (90) days delinquent in payment of a monetary obligation to the Association, may not be imposed without at least fourteen (14) days' notice to the person sought to be fined or suspended and an opportunity for a hearing before a committee of at least three (3) persons (the "Violations Committee") appointed by the Board who are not officers, directors or employees of Association, or the spouse, parent, child, brother, sister of an officer, director or employee. The role of the Violations Committee is limited to determining whether to confirm or reject the fine or suspension. If the Violations Committee does not by a majority vote approve a fine or suspension the same may not be imposed. The written notice of violation shall be in writing to the Owner, tenant, Lessee, licensee, guest, invitee, or occupant and detail the infraction or infractions. Included in the notice shall be the date and time of the hearing of the Violations Committee. If a fine or suspension is imposed, the Association must provide written notice of such fine or suspension by mail or hand delivery to the Owner and, if applicable, to any tenant, Lessee, licensee, guest, invitee, or occupant. Suspension of use rights may not prohibit an Owner or Lessee from having vehicular and pedestrian ingress to and egress from their Home including, without limitation, the right to park vehicles.

21.8.3 Suspension of use rights as a result of an Owner being more than ninety (90) days delinquent in payment of any fee, fine or other monetary obligation due to the Association may only be for the

period of time until such fee, fine or other monetary obligation is paid. The authority of the Association to suspend rights to use Common Areas as a result of being more than ninety (90) days delinquent in payment of a fee, fine or monetary obligation to the Association does not apply to the portion of the Common Areas that must be used for access to a Home or necessary utility services to a Home, and a suspension may not prohibit an Owner or Lessee from having vehicular and pedestrian ingress to and egress from their Home including, without limitation, the right to park vehicles. The Board may also suspend the voting rights of an Owner who is delinquent in Assessments or other monetary obligations to the Association for more than ninety (90) days. Notwithstanding anything to the contrary in this Declaration or other Association Documents, the notice and hearing requirements contained in Section 21.8.2 above do not apply to a suspension of use rights or suspension of voting rights as a result of being more than ninety (90) days delinquent in payment of a monetary obligation to the Association. However, suspension of use rights and voting rights as a result of being more than ninety (90) days delinquent in payment of any monetary obligation to the Association must be approved at a properly noticed meeting of the Board and, upon approval, the Association must notify the affected Owner and, if applicable, the affected Owner's Lessee, licensee, occupant, tenant, and invitees by mail or hand delivery.

21.8.4 The non-compliance shall be presented to the Violations Committee acting as a tribunal, after which the Violations Committee shall hear reasons why a fine should not be imposed. The hearing shall be conducted in accordance with the procedures adopted by the Violations Committee from time to time. A written decision of the Violations Committee shall be submitted to the Owner, tenant, Lessee, licensee, guest, invitee, or occupant, as applicable, by not later than twenty-one (21) days after the meeting of the Violations Committee. The Owner, tenant, Lessee, licensee, guest, invitee, or occupant shall have a right to be represented by counsel and to cross-examine witnesses.

21.8.5 The Violations Committee may confirm a suspension of use rights or a fine against an Owner levied by the Board in the amount of \$100 (or any greater amount permitted by law from time to time) for each violation. Each day of non-compliance shall be treated as a separate violation and there is no cap on the aggregate amount of a fine imposed on an Owner, Lessee, licensee, guest, invitee, or occupant. Individual Assessment fines shall be paid not later than five (5) days after notice of the imposition of the Individual Assessment. All monies received from fines shall be allocated as directed by the Board.

21.8.6 The Board may suspend, without notice or hearing, the voting rights of an Owner who is more than ninety (90) days delinquent in payment of a fee, fine, Assessments or other monetary obligation to the Association. The Board may also suspend the Owner's right to use the Common Areas because of the Owner's failure to pay Assessments when due as provided in these By-Laws, in the Declaration, and in Chapter 720 of the Florida Statutes. Suspension of voting rights and use rights apply to the Owner and, when appropriate, the Owner's tenants, Lessees, licensees, guests, invitees or occupants, even if the delinquency or failure that resulted in the suspension arose from less than all the multiple Homes owned by the Owner.

## 22. Additional Rights of Developer.

22.1 Sales and Administrative Offices. For so long as Developer and its assigns owns any property in Centra Falls, is affected by this Declaration, or maintains a sales office or administrative office within Centra Falls, Developer shall have the perpetual right to take such action reasonably necessary to transact any business necessary to consummate the development of Centra Falls and sales and re-sales of Homes and/or other properties owned by Developer or others outside of Centra Falls. This right shall include, but not be limited to, the right to maintain models, sales offices and parking associated therewith, have signs on any portion of Centra Falls, including Common Areas, employees in the models and offices without the payment of rent or any other fee, maintain offices in models and use of the Common Areas to show Homes. The sales office, models, signs and all items pertaining to development and sales remain the property of Developer. Developer shall have all of the foregoing rights without charge or expense. Without limiting the foregoing, Developer shall have the right to maintain an office within Centra Falls for administrative purposes, including, without limitation, covering warranty work, if any, for a period of up to one (1) year following the Community Completion Date. Without limiting any other provision of this Declaration, Developer may assign its rights hereunder to each Builder. The rights reserved hereunder shall extend beyond the Community Completion Date.

22.2 Modification. The development and marketing of Centra Falls will continue as deemed appropriate in Developer's sole discretion, and nothing in this Declaration or Community Standards, or otherwise, shall be construed to limit or restrict such development and marketing. It may be necessary or convenient for the development of Centra Falls to, as an example and not a limitation, amend a Plat, the Master Plan, and/or DRI, modify the boundary lines of the Common Areas, grant easements, dedications, agreements, licenses, restrictions, reservations, covenants, rights-of-way, and to take such other actions which Developer, or its agents, affiliates, or assignees may deem necessary or appropriate. Association and Owners shall, at the request of Developer, execute and deliver any and all documents and instruments which Developer deems necessary or convenient, in its sole discretion, to accomplish the same. Each person that acquires any interest in Centra Falls acknowledges and agrees that the DRI is master planned and Centra Falls is a master planned community, the development of which may extend over many years, and agrees not to protest, challenge or otherwise object to (a) changes in uses or density of property within the DRI, or (b) changes in the DRI, or the Development Order adopted by the City as it relates to property within or outside of Centra Falls. Developer reserves the right to modify the Development Order and City Ordinance (with respect to Centra Falls) from time to time in its sole and absolute discretion and at its option. The Developer shall have the right to assign to Association any of its continuing obligations or responsibilities under the Development Order and/or City Ordinance, if any, and the Association shall accept, assume and fulfill such obligations and responsibilities. The Association shall indemnify and hold the Developer harmless from any liability which may result therefrom, including, without limitation, reasonable attorneys' fees, paraprofessional fees and costs incurred by Developer in defending itself or enforcing its rights hereunder. Prior to the Community Completion Date, the provisions of this Section 22.2 shall not be amended without the prior written consent of the Developer.

22.3 Promotional Events. Prior to the Community Completion Date, Developer, Builders, and their respective successors and assigns shall have the right, at any time, to hold marketing, special and/or promotional events within Centra Falls and/or on the Common Areas, without any charge for use. Developer, its agents, affiliates, or assignees shall have the right to market Centra Falls and Homes in advertisements and other media by making reference to Centra Falls, including, but not limited to, pictures or drawings of Centra Falls, Common Areas, Parcels, and Homes constructed in Centra Falls. All logos, trademarks, and designs used in connection with Centra Falls are the property of Developer, and Association shall have no right to use the same after the Community Completion Date except with the express written permission of Developer. Without limiting any other provision of this Declaration, Developer may assign its rights hereunder to each Builder.

22.4 Use by Prospective Purchasers. Prior to the Community Completion Date, Developer shall have the right, without charge, to use the Common Areas for the purpose of entertaining prospective purchasers of Homes, or other properties owned by Developer outside of Centra Falls.

22.5 Franchises. Developer may grant franchises or concessions to commercial concerns on all or part of the Common Areas and shall be entitled to all income derived therefrom.

22.6 Management. Developer or an affiliate of Developer may manage the Common Areas by contract with Association. Developer may also contract with a third party Management Company for management of Association and the Common Areas. Each Owner acknowledges that Developer may receive lump sum or monthly compensation from any Management Company in connection with the costs of services provided by such Management Company. All such compensation shall be the sole property of Developer, who shall have no duty to account for or disclose the amount of such compensation.

22.7 Easements. Until the Community Completion Date, Developer reserves the exclusive right to grant, in its sole discretion, easements, permits and/or licenses for ingress and egress, drainage, utilities service, maintenance, Telecommunications Services; and other purposes over, under, upon and across Centra Falls so long as any such easements do not materially and adversely interfere with the intended use of Homes previously conveyed to Owners. By way of example, and not of limitation, Developer may be required to take certain action, or make additions or modifications to the Common Areas in connection with an environmental program. All easements necessary for such purposes are reserved in favor of Developer, in perpetuity, for such purposes. Without limiting the foregoing, Developer may relocate any easement affecting a Home, or grant new easements over a Home, after conveyance to an Owner, without the joinder or consent of such Owner, so long as the grant of easement or relocation of easement does not materially and adversely affect the Owner's use of the Home as a residence. As an

illustration, Developer may grant an easement for Telecommunications Systems, irrigation, drainage lines or electrical lines over any portion of Centra Falls so long as such easement is outside the footprint of the foundation of any residential improvement constructed on such portion of Centra Falls. Developer shall have the sole right to any fees of any nature associated therewith, including, but not limited to, license or similar fees on account thereof. Association and Owners will, without charge, if requested by Developer: (a) join in the creation of such easements, etc. and cooperate in the operation thereof; and (b) collect and remit fees associated therewith, if any, to the appropriate party. Association will not grant any easements, permits or licenses to any other entity providing the same services as those granted by Developer, nor will it grant any such easement, permit or license prior to the Community Completion Date without the prior written consent of Developer which may be granted or denied in its sole discretion.

22.8 Right to Enforce. Developer has the right, but not the obligation, to enforce the provisions of this Declaration and the Community Standards and to recover all costs relating thereto, including, without limitation, attorneys' fees, paraprofessional fees and costs, pre-trial and at all levels of proceedings, including appeals. Such right shall include the right to perform the obligations of Association and to recover all costs incurred in doing so.

22.9 Additional Development. If Developer withdraws portions of Centra Falls from the operation of this Declaration, Developer may, but is not required to, subject to governmental approvals, create other forms of residential property ownership or other improvements of any nature on the property not subjected to or withdrawn from the operation of this Declaration. Developer shall not be liable or responsible to any person or entity on account of its decision to do so or to provide, or fail to provide, the amenities and/or facilities which were originally planned to be included in such areas. If so designated by Developer, owners or tenants of such other forms of housing or improvements upon their creation, may share in the use of all or some of the Common Areas and other facilities and/or roadways which remain subject to this Declaration. The expense of the operation of such facilities shall be allocated to the various users thereof, if at all, as determined by Developer.

22.10 Representations. Developer makes no representations concerning development both within and outside the boundaries of Centra Falls including, but not limited to, the number, design, boundaries, configuration and arrangements, prices of all Parcels or Homes and buildings in all other proposed forms of ownership and/or other improvements on Centra Falls or in Centra Falls or adjacent to or near Centra Falls, including, but not limited to, the size, location, configuration, elevations, design, building materials, height, view, airspace, number of homes, number of buildings, location of easements, parking and landscaped areas, services and amenities offered.

22.11 Telecommunications Services.

22.11.1 Right to Contract for Telecommunications Services. Association shall have the right, but not the obligation, to enter into one or more contracts for the provision of one or more Telecommunications Services for all or any part of Centra Falls. Prior to the Community Completion Date, all contracts between a Telecommunications Provider and Association shall be subject to the prior written approval of Developer. Developer and/or its nominees, successors, assigns, affiliates, and licensees may contract with Association and act as a Telecommunications Provider for one or more Telecommunications Services, subject only to the requirements of all applicable laws, statutes, and regulations. If Developer is not the Telecommunications Provider for any particular Telecommunications Service, Developer shall have the right to receive, on a perpetual basis, all or a portion of access fees and/or the revenues derived from such Telecommunications Service within Centra Falls as agreed, from time to time, between the Telecommunications Provider and Developer.

22.11.2 Easements. Developer (i) reserves unto itself and its nominees, successors, assigns, affiliates, and licensees, and (ii) grants to each Telecommunications Provider that has entered into an agreement with Association respecting Telecommunications Services and/or Telecommunications Systems a perpetual right, privilege, easement and right-of-way across, over, under and upon Centra Falls for the installation, construction and maintenance of Telecommunications Systems together with a perpetual right, privilege and easement of ingress and egress, access, over and upon Centra Falls for installing, constructing, inspecting, maintaining, altering, moving, improving and replacing facilities and equipment constituting such Telecommunications Systems. If, and to the extent, Telecommunications Services provided by such Telecommunications Providers are to serve all of Centra Falls, then the amounts payable to such Telecommunications Providers under their written agreements with Association shall be part of Operating Costs of Association and shall be assessed as a part of the Assessments.

22.11.3 Restoration. Upon the completion of any installation, upgrade, maintenance, repair, or removal of the Telecommunications Systems or any part thereof, each Telecommunications Provider shall restore the relevant portion of the Common Areas and/or any Home to as good a condition as that which existed prior to such installation, maintenance, repair or removal. Failure by Telecommunications Provider to commence such restoration within twenty (20) days after receiving written notice from Association of such failure or the Telecommunications Provider's failure to complete such restoration within ninety (90) days of commencement shall vest in Association the right (but not the obligation) to restore or cause to be restored such portion of the Common Areas and/or Home disturbed by such work, all at such Telecommunications Provider's sole cost and expense, except for in emergency situations whereby Association may restore or cause to be restored such disturbed portion of the Common Areas and/or Home immediately. In the event that Association exercises the right of self-help, each Telecommunications Provider agrees in advance that Association shall have the sole right to (i) select the contractors to perform such work and (ii) determine the extent of required restoration. This remedy of self-help is in addition to all other remedies of Association hereunder. All reasonable expenses incurred by Association in connection with such restoration shall be paid by Telecommunications Provider within twenty (20) days of completion of restoration and delivery to Telecommunications Provider of Association's invoice therefore. Any expenses not so paid when due shall bear interest from the due date at the lesser of (i) the publicly announced prime rate (or similar successor reference rate) of Wells Fargo Bank, N.A., or its successor on the date of such invoice, or (ii) the maximum rate of interest allowed by the law of the State of Florida for such obligations, or as provided in an agreement between Association and a Telecommunications Provider.

22.11.4 Operating Costs. The cost of any Telecommunications System or Telecommunications Services provided pursuant to an agreement with the Association shall be part of Operating Costs and paid for by Owners through Assessments. Each Owner understands that the expense of any Telecommunications Service may not be charged on a bulk basis, but may be charged at the rate equal to any rate paid by individual home owners that are not subject to a homeowners association in County. Each Owner acknowledges that Developer may receive lump sum or monthly compensation from any Telecommunications Provider in connection with the supply of Telecommunications Services. Such compensation may be paid on a per Home or other basis. All such compensation shall be the sole property of Developer, who shall have no duty to account for or disclose the amount of such compensation.

22.12 Non-Liability. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE ASSOCIATION DOCUMENTS, NEITHER ASSOCIATION, DEVELOPER, NOR ANY BUILDERS SHALL BE LIABLE OR RESPONSIBLE FOR, OR IN ANY MANNER A GUARANTOR OR INSURER OF, THE HEALTH, SAFETY OR WELFARE OF ANY OWNER, OCCUPANT OR USER OF ANY PORTION OF CENTRA FALLS INCLUDING, WITHOUT LIMITATION, RESIDENTS AND THEIR FAMILIES, GUESTS, LESSEES, LICENSEES, INVITEES, AGENTS, SERVANTS, CONTRACTORS, AND/OR SUBCONTRACTORS OR FOR ANY PROPERTY OF ANY SUCH PERSONS. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING:

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

22.12.2 ASSOCIATION IS NOT EMPOWERED, AND HAS NOT BEEN CREATED, TO ACT AS AN AGENCY WHICH ENFORCES OR ENSURES THE COMPLIANCE WITH THE LAWS OF THE STATE OF FLORIDA, THE CITY AND/OR COUNTY OR PREVENTS TORTIOUS ACTIVITIES; AND

22.12.3 THE PROVISIONS OF THE ASSOCIATION DOCUMENTS SETTING FORTH THE USES OF ASSESSMENTS WHICH RELATE TO HEALTH AND WELFARE SHALL BE INTERPRETED AND APPLIED ONLY AS LIMITATIONS ON THE USES OF ASSESSMENT FUNDS AND NOT AS CREATING A DUTY OF ASSOCIATION TO PROTECT OR FURTHER THE HEALTH, SAFETY OR WELFARE OF ANY PERSON(S), EVEN IF ASSESSMENT FUNDS ARE CHOSEN TO BE USED FOR ANY SUCH REASON. EACH OWNER (BY VIRTUE OF HIS ACCEPTANCE OF TITLE TO A HOME) AND EACH OTHER PERSON HAVING AN INTEREST IN OR LIEN UPON, OR MAKING A USE OF, ANY PORTION OF CENTRA FALLS

(BY VIRTUE OF ACCEPTING SUCH INTEREST OR LIEN OR MAKING SUCH USE) SHALL BE BOUND BY THIS SECTION AND SHALL BE DEEMED TO HAVE AUTOMATICALLY WAIVED ANY AND ALL RIGHTS, CLAIMS, DEMANDS AND CAUSES OF ACTION AGAINST ASSOCIATION ARISING FROM OR CONNECTED WITH ANY MATTER FOR WHICH THE LIABILITY OF ASSOCIATION HAS BEEN DISCLAIMED IN THIS SECTION OR OTHERWISE. AS USED IN THIS SECTION, "ASSOCIATION" SHALL INCLUDE WITHIN ITS MEANING ALL OF ASSOCIATION'S DIRECTORS, OFFICERS, COMMITTEE AND BOARD MEMBERS, EMPLOYEES, AGENTS, CONTRACTORS (INCLUDING MANAGEMENT COMPANIES, SUBCONTRACTORS, SUCCESSORS AND ASSIGNS).

22.13 Resolution of Disputes. BY ACCEPTANCE OF A DEED, EACH OWNER AGREES THAT THE ASSOCIATION DOCUMENTS ARE VERY COMPLEX; THEREFORE, ANY CLAIM, DEMAND, ACTION, OR CAUSE OF ACTION, WITH RESPECT TO ANY ACTION, PROCEEDING, CLAIM, COUNTERCLAIM, OR CROSS CLAIM, WHETHER IN CONTRACT AND/OR IN TORT (REGARDLESS IF THE TORT ACTION IS PRESENTLY RECOGNIZED OR NOT), BASED ON, ARISING OUT OF, IN CONNECTION WITH OR IN ANY WAY RELATED TO THE ASSOCIATION DOCUMENTS, INCLUDING ANY COURSE OF CONDUCT, COURSE OF DEALING, VERBAL OR WRITTEN STATEMENT, VALIDATION, PROTECTION, ENFORCEMENT ACTION OR OMISSION OF ANY PARTY SHOULD BE HEARD IN A COURT PROCEEDING BY A JUDGE AND NOT A JURY IN ORDER TO BEST SERVE JUSTICE. DEVELOPER HEREBY SUGGESTS THAT EACH OWNER UNDERSTAND THE LEGAL CONSEQUENCES OF ACCEPTING A DEED TO A HOME.

22.14 Venue. EACH OWNER ACKNOWLEDGES REGARDLESS OF WHERE SUCH OWNER (i) EXECUTED A PURCHASE AND SALE AGREEMENT, (ii) RESIDES, (iii) OBTAINS FINANCING OR (iv) CLOSED ON A HOME, THIS DECLARATION LEGALLY AND FACTUALLY WAS EXECUTED IN THE COUNTY. DEVELOPER HAS AN OFFICE IN THE COUNTY, AND EACH HOME IS LOCATED IN THE COUNTY. ACCORDINGLY, AN IRREBUTTABLE PRESUMPTION EXISTS THAT ONLY APPROPRIATE VENUE FOR THE RESOLUTION OF ANY DISPUTE LIES IN THE COUNTY. IN ADDITION TO THE FOREGOING, EACH OWNER AND DEVELOPER AGREES THAT THE VENUE FOR RESOLUTION OF ANY DISPUTE LIES IN THE COUNTY.

22.15 Reliance. BEFORE ACCEPTING A DEED TO A HOME, EACH OWNER HAS AN OBLIGATION TO RETAIN AN ATTORNEY IN ORDER TO CONFIRM THE VALIDITY OF THIS DECLARATION. BY ACCEPTANCE OF A DEED TO A HOME, EACH OWNER ACKNOWLEDGES THAT HE HAS SOUGHT AND RECEIVED SUCH AN OPINION OR HAS MADE AN AFFIRMATIVE DECISION NOT TO SEEK SUCH AN OPINION. DEVELOPER IS RELYING ON EACH OWNER CONFIRMING IN ADVANCE OF ACQUIRING A HOME THAT THIS DECLARATION IS VALID, FAIR AND ENFORCEABLE. SUCH RELIANCE IS DETRIMENTAL TO DEVELOPER. ACCORDINGLY, AN ESTOPPEL AND WAIVER EXISTS PROHIBITING EACH OWNER FROM TAKING THE POSITION THAT ANY PROVISION OF THIS DECLARATION IS INVALID IN ANY RESPECT. AS A FURTHER MATERIAL INDUCEMENT FOR DEVELOPER TO SUBJECT CENTRA FALLS TO THIS DECLARATION, EACH OWNER DOES HEREBY RELEASE, WAIVE, DISCHARGE, COVENANT NOT TO SUE, ACQUIT, SATISFY AND FOREVER DISCHARGE DEVELOPER, ITS OFFICERS, DIRECTORS, EMPLOYEES, AND AGENTS AND ITS AFFILIATES AND ASSIGNS FROM ANY AND ALL LIABILITY, CLAIMS, COUNTERCLAIMS, DEFENSES, ACTIONS, CAUSES OF ACTION, SUITS, CONTROVERSIES, AGREEMENTS, PROMISES AND DEMANDS WHATSOEVER IN LAW OR IN EQUITY WHICH AN OWNER MAY HAVE IN THE FUTURE, OR WHICH ANY PERSONAL REPRESENTATIVE, SUCCESSOR, HEIR OR ASSIGN OF OWNER HEREAFTER CAN, SHALL OR MAY HAVE AGAINST DEVELOPER, ITS OFFICERS, DIRECTORS, EMPLOYEES, AND AGENTS, AND ITS AFFILIATES AND ASSIGNS, FOR, UPON OR BY REASON OF ANY MATTER, CAUSE OR THING WHATSOEVER RESPECTING THIS DECLARATION, OR THE EXHIBITS TO THIS DECLARATION. THIS RELEASE AND WAIVER IS INTENDED TO BE AS BROAD AND INCLUSIVE AS PERMITTED BY THE LAWS OF THE STATE OF FLORIDA.

22.16 Access Control System. Developer intends to install electronic entrance gates/arms at the entrance(s) to Centra Falls. Association shall have the right, but not the obligation to install or contract for the installation or provision of an Access Control System for Centra Falls. Prior to the Community Completion Date, all contracts for Access Control Systems shall be subject to the prior written approval of Developer. Developer



reserves the right, at any time and in its sole discretion, to discontinue or terminate any Access Control System, if any, prior to the Community Completion Date. In addition, all Owners specifically acknowledge that Centra Falls may have a perimeter access control system, such as fences, walls, hedges, or the like on certain perimeter areas. ASSOCIATION AND DEVELOPER SHALL NOT BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE ACCESS CONTROL OR INEFFECTIVENESS OF ACCESS CONTROL MEASURES UNDERTAKEN.

22.16.1 Components. The Access Control System, if installed, may include one or more manned or unmanned gatehouses, one or more electronic gates, and roving attendants using vehicles. Association and Developer do not warrant or guaranty in any manner that the system will include these items, but reserve the right to install or provide the foregoing items, or any other items they deem appropriate in their sole and absolute discretion. After the Community Completion Date, Association may install or expand the Access Control System by a vote of the majority of the Board, without the joinder or consent of the Owners or any third parties. Without limiting the foregoing, Developer and Association reserve the right to, at any time, increase, decrease, eliminate, or add manned or unmanned gate houses, information booths, sensors, gates and other access monitoring measures as they deem appropriate in their sole and absolute discretion; provided, however, no changes shall be made prior to the Community Completion Date without the prior written consent of Developer.

22.16.2 Part of Operating Costs. The cost of operating and monitoring any Access Control System will be included in Operating Costs of Association, payable as a portion of the Assessments against Owners.

22.16.3 No Warranty. All Owners and occupants of any Home, and the tenants, guests and invitees of any Owner, as applicable, acknowledge that Association, its Board and officers, Developer, their nominees or assigns, or any successor Developer, and the ARC and its members, do not represent or warrant that (a) any Access Control System, designated by or installed according to guidelines established, will not be compromised or circumvented, (b) any Access Control System will prevent loss by fire, smoke, burglary, theft, hold-up, or otherwise, and/or (c) the Access Control System will in all cases provide the detection for which the system is designed or intended. In the event that Developer elects to provide a Access Control System, Developer shall not be liable to the Owners or Association with respect to such Access Control System, and the Owners and Association shall not make any claim against Developer for any loss that an Owner or Association may incur by reason of break-ins, burglaries, acts of vandalism, personal injury or death, which are not detected or prevented by the Access Control System. Each Owner and Association is responsible for protecting and insuring themselves in connection with such acts or incidents. The provision of an Access Control System (including any type of gatehouse) shall in no manner constitute a warranty or representation as to the provision of or level of security within Centra Falls. Developer and Association do not guaranty or warrant, expressly or by implication, the merchantability of fitness for use of any Access Control System, or that any such system (or any of its components or related services) will prevent intrusions, fires, or other occurrences, regardless of whether or not the monitoring service is designed to monitor the same. Each and every Owner and the occupant of each Home acknowledges that Developer and Association, and their employees, agents, managers, directors, and officers, are not insurers of Owners or Homes, or the personal property located within Homes or Parcels. Developer and Association will not be responsible or liable for losses, injuries, or deaths resulting from any such events.

22.16.4 Owners' Responsibility. OWNERS ARE SOLELY RESPONSIBLE FOR THE SECURITY OF THEIR HOMES AND THE SAFETY OF PERSONS AND PERSONAL PROPERTY THEREIN. EACH AND EVERY OWNER AND THE OCCUPANT OF EACH HOME ACKNOWLEDGES THAT DEVELOPER, BUILDERS, AND ASSOCIATION, THEIR EMPLOYEES, AGENTS, MANAGERS, DIRECTORS AND OFFICERS ARE NOT INSURERS OF OWNERS OR HOMES, OR THE PERSONAL PROPERTY LOCATED WITHIN HOMES. DEVELOPER AND ASSOCIATION WILL NOT BE RESPONSIBLE OR LIABLE FOR LOSSES, INJURIES, OR DEATHS RESULTING FROM ANY SUCH EVENTS. DEVELOPER AND ASSOCIATION SHALL NOT BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OR FAILURE TO PROVIDE ACCESS CONTROL.

23. Selling, Leasing and Disposition of Homes. In order to maintain complementary uses, congenial neighbors and to protect the value of Homes, the transfer of title to or possession of Homes by any Owner shall be subject to the following provisions so long as Association exists, which provisions each Owner covenants and agrees to observe:

23.1 Transfers Subject to Approval.

23.1.1 Sale. No Owner may sell, dispose or otherwise transfer a Home or any interest therein by sale without approval of Association, which approval shall not be unreasonably withheld.

23.1.2 Lease, License and Occupancy Agreement. No Owner may transfer possession of a Home or otherwise dispose of a Home or any interest therein by lease, license, or occupancy agreement for any period without approval of Association except as otherwise provided in this Declaration. The renewal of any lease, license or occupancy agreement including any lease, license or occupancy agreement previously approved by Association under this Section 23, shall be re-submitted for approval by Association, which approval shall not be unreasonably withheld. No Owner may transfer possession of a Home or any interest therein by lease, license or occupancy agreement for any period until such Owner is current in payment of all Assessments due to Association under the terms of this Declaration, and Association shall have the right to withhold approval of any lease, license or occupancy agreement until such time as the Owner is current in payment of such Assessments. Notwithstanding the foregoing, although all leases, licenses and occupancy agreements must be submitted to the Association for approval, the Association has the right, but not the obligation, to approve or disapprove a lease, license or occupancy agreement.

23.1.3 Devise or Inheritance. If any Owner shall acquire title by devise or inheritance, the continuance of his, her or its ownership shall be subject to the approval of the Association. Such Owner shall give the Association notice of the acquisition of his/her/its title together with such additional information concerning the Owner as the Association may reasonably require together with a copy of the instrument evidencing the Owner's title. If such notice is not given, the Association, at any time after receiving knowledge of such transfer, may approve or disapprove the transfer of ownership.

23.1.4 Gift. If any Owner proposes to transfer a Home by gift, the proposed transfer shall be subject to the prior written approval of Association, which approval shall not be unreasonably withheld.

23.1.5 Other Transfers. If any Owner proposes to transfer a Home, or any interest therein, in any manner not provided in this Section 23 the proposed transfer shall be subject to the prior written approval of Association, which approval shall not be unreasonably withheld.

23.1.6 Notification of Transfers. Each new Owner receiving a conveyance from any party except the Developer shall notify the Association promptly after becoming a new Owner by delivering a copy of the deed to the Home, or other instrument evidencing title, to the Association.

23.2 Approval by Association. To obtain approval of Association which is required for the transfer of Homes, each Owner shall comply with the following requirements:

23.2.1 Notice to Association.

23.2.1.1 Sale. An Owner intending to make a bona fide sale of his, her or its Home, or any interest therein, shall give to Association a transfer fee (in an amount determined by the Board and permitted by Florida Statutes) and written notice pursuant to a form approved by Association of such intentions, together with the name and address of the intended purchaser and such other information concerning the intended purchaser as Association may reasonably require.

23.2.1.2 Lease, License, Occupancy Agreement. An Owner intending to enter into a bona fide lease, license or occupancy agreement of his, her or its Home or any interest therein by lease, license, or occupancy agreement shall give to Association a transfer fee (in an amount determined by the Board and permitted by Florida Statutes) and written notice pursuant to a form approved by Association of such intention, together with the name and address of the intended Lessee, licensee or occupant, and such other information concerning the intended Lessee, licensee or occupant as Association may reasonably require, and an executed copy of the proposed lease, license or occupancy agreement, which lease, license or occupancy agreement shall provide that it is subject to approval by Association.

23.2.1.3 Devise or Inheritance. If any Owner shall acquire title by devise or inheritance, the continuance of his, her or its ownership shall be subject to the written approval of the Association. Such Owner shall provide the Association with notice of the acquisition of his, her or its title together with such additional information concerning the Owner as the Association may reasonably require together with a copy of the instrument evidencing the Owner's title. If such notice is not given, the Association, at any time after receiving knowledge of such transfer, may approve or disapprove the transfer of ownership.

23.2.1.4 Gift; Other Transfers. An Owner who proposes to transfer his, her or its title by gift or any other manner not specifically provided for in this Section 23 shall give to Association a transfer fee (in an amount determined by the Board and permitted by Florida Statutes) and written notice pursuant to a form approved by Association of the proposed transfer of his, her or its title, together with such information concerning the transferee as Association may reasonably require, and a copy of all instruments to be used in transferring title.

23.2.1.5 Failure to Give Notice. If the notice to Association as required by this Declaration is not given, then at any time after receiving knowledge of a transaction or event transferring ownership or possession of a Home, Association at its discretion and without notice may approve or disapprove the lease, sale or other transfer. If Association disapproves the transaction or ownership, Association shall proceed as if it had received the required notice on the date of such disapproval.

23.2.1.6 Effect and Manner of Notice. The giving of notice shall constitute a representation and warranty by the offeror to Association and any purchaser produced by the Board, as hereinafter provided, that the offering is a bona fide offer in all respects. The notice shall be given by certified mail, return receipt requested, or delivered by professional courier or by hand-delivery to Association which shall give a receipt therefore.

#### 23.2.2 Certificate of Approval.

23.2.2.1 Sale. If the proposed transaction is a sale, then, within thirty (30) days after receipt of such notice and all information required by it, the Association must either approve or disapprove of the proposed transaction. If approved, the approval shall be stated in a certificate executed by the proper officers of Association in recordable form and shall be delivered to the purchaser and may be recorded in the Public Records. If the Association fails or refuses within the allotted time to notify the Owner of either approval or disapproval in writing, or, if applicable and as provided in Section 23.3.1, it fails to provide an alternate purchaser or make an election to purchase the Home itself when required to do so, then the Association shall conclusively be presumed to have approved the proposed transaction, and the Association shall, upon demand, provide a recordable certificate of approval. In any such case, the Association shall have no responsibility for the Owner's cost, brokerage fees, attorneys' fees and costs or any other claims related to a delay or failure in closing of the sale of the Home.

23.2.2.2 Lease, License, Occupancy Agreement. If the proposed transaction is a lease, license or occupancy agreement, then, within thirty (30) days after receipt of such notice and all information required by it, the Association must either approve or disapprove the proposed transaction. If approved, the approval shall be stated in a certificate executed by the proper officers of Association and shall be delivered to the Lessee, licensee or occupant. Notwithstanding the foregoing, in the event that the tenant under the proposed lease, license or occupancy agreement is a service member, as defined in Section 250.01, Florida Statutes, the Association must either approve or disapprove the proposed transaction in writing within seven (7) days after receipt of notice and all information required by it and, if denied, the denial must state the reason for denial; failure to deny a lease, license or occupancy agreement to a service member within such seven (7) day period shall be deemed an approval of such lease, license or occupancy agreement.

23.2.2.3 Devise or Inheritance. If the transaction is a transfer of title by devise or inheritance, then, within thirty (30) days after receipt of such notice and all information required by it, the Association must either approve or disapprove the transfer. If approved, the approval shall be stated in a certificate executed by the proper officers of Association and shall be delivered to the person who has obtained title to the Home and recorded in the Public Records.

23.2.2.4 Gift, Other Transfer. If the Owner giving notice proposes to transfer his, her or its title by gift or in any other manner not specifically provided for in this Section 23, then, within thirty (30) days after receipt of such notice and all information required by it, the Association must either approve or disapprove the proposed transfer of title to the Home. If approved, the approval shall be upon such terms and conditions as Association may reasonably require, and the approval shall be stated in a certificate executed by the proper officers of Association in recordable form and shall be delivered to the Owner and shall be recorded in the Public Records.

23.2.3 Approval of Owner Other Than an Individual. Inasmuch as the Home may be used only for residential purposes, and a corporation, trust or other entity cannot occupy a Home for such use, if the Owner or purchaser of a Home is a corporation, trust or other entity, the approval of ownership by the corporation, trust or other entity shall be conditioned upon the primary occupant or the beneficial owners of the entity being approved by Association. Any change in such primary occupant or beneficial owners of the Home shall be deemed a change of ownership subject to Association approval pursuant to this Section.

23.3 Disapproval by Association. In exercising its power of disapproval of a transfer, occupancy, or ownership of a Home, the Association shall act in a manner that is neither arbitrary nor unlawfully discriminatory and withhold approval only for a reason or reasons rationally related to the protection, preservation, use and enjoyment of other Owners and occupants and proper operation of Centra Falls and the purposes as set forth in this Section 23. Although an Owner complies with the foregoing requirements, Association may disapprove of the transfer. If Association disapproves a transfer or ownership of a Home, the matter shall be disposed of in the following manner:

23.3.1 Sale. If the proposed transaction is a sale, and if the Association disapproves of the proposed transaction (subject to the qualifications contained in this Section) notice of disapproval shall be sent in writing to the Owner or interest holder, and the transaction shall not be completed. Except in the case of disapproval for cause, upon the written demand of the Owner made within ten (10) days after receipt of the disapproval, the Association may elect to furnish an alternate purchaser it approves or the Association may itself elect to purchase the Home, upon which the Owner shall be compelled to sell to such alternate purchaser or to the Association upon the same terms set forth in the proposal given to the Association. Alternatively, the Owner may withdraw the proposed sale. If the Association elects to purchase the Home or provides an alternative purchaser, then, within thirty (30) days after receipt of such notice and all information required by the Association, the Association shall deliver by professional courier, hand-delivery, mail or certified mail, to the Owner, an agreement to purchase by the Association, or a purchaser approved by the Association who will purchase and to whom the Owner must sell the Home, upon the following terms: (i) the price to be paid by the purchaser, to be identified in the agreement, shall be that stated in the disapproved contract to sell; and (ii) the sale shall be closed within ninety (90) days after the delivery or mailing of the agreement to purchase to the Owner and shall be upon terms no less favorable than the terms of the disapproved contract. Notwithstanding the foregoing, if the Association disapproves the proposed sale, transfer or conveyance, the Association shall neither have the duty to purchase or provide an alternate purchaser nor shall it assume any responsibility for the denial of a proposed sale, transfer or conveyance, if the denial is based upon good cause. Good cause shall include, but shall not be limited to, the following: (i) the person seeking approval has failed to provide the information required to process the application package in a timely manner, or has materially misrepresented any fact or information provided in the application package or the screening process; (ii) the Owner is delinquent in the Assessments for his/her/its Home; (iii) the application package for approval, on its face, or the conduct of the applicant, indicates that the person seeking approval intends to conduct himself in a manner inconsistent with the Declaration, Articles of Incorporation, By-Laws, and Rules and Regulations, or that the sale, if approved, would result in a violation of the Association Documents; (iv) the Owner or person seeking approval makes a material omission or misrepresentation on any of the documents comprising the application package; (v) negative information pertaining to prior rental history, credit worthiness and personal/business references is obtained; or (vi) the person seeking approval (which shall include all proposed occupants) has been convicted of a felony by any court in the United States involving violence to persons or property, or a felony demonstrating dishonesty or moral turpitude.

23.3.2 Lease, License, Occupancy Agreement. If the Association disapproves of a transfer of possession of a Home by lease, license or occupancy agreement, then the Owner may not lease, license or allow occupancy of the Home to the intended Lessee, licensee or occupant for whom the Owner sought approval.

23.3.3 Transfer by Devise or Inheritance. If the Association disapproves of such transfer of title by devise or inheritance, then, within thirty (30) days after receipt of such notice and all information required by the Association, the Association shall notify in writing the person who has obtained such title of a purchaser or purchasers approved by the Association to purchase the respective Home at its fair market value. The fair market value of the Home will be determined by any one of the following methods determined by the Board: (i) by three (3) M.A.I. appraisers, one of whom shall be selected by the Association's proposed purchaser, one by the person holding title, and one by the two (2) appraisers so selected; or (ii) by mutual agreement by the Association's proposed purchaser and the person holding title. All costs for such appraisal shall be paid by the Association's proposed purchaser. The purchase price shall be paid by federal wire or official check and the sale closed within thirty (30) days after the determination of the purchase price. Simultaneously upon notification to the person holding title that the Board has a purchaser for the respective Home, the person holding title and such purchaser shall execute a contract providing for the acquisition of such Home in accordance with the terms of this Declaration. In the event the purchaser furnished by Association shall default in his or her obligation to purchase such Home, then the Board shall be required to approve the passage of title to the person then holding title thereof and shall issue and deliver a certificate of approval therefore.

23.3.4 Gift and Other Transfers. If the Owner giving notice proposes to transfer his, her or its title by gift or any other manner not provided for in this Section 23, then, within thirty (30) days, after receipt from the Owner of the notice and information required to be furnished, Association shall deliver by professional courier, hand delivery, or mail by certified mail, to the Owner written notice of the terms and conditions upon which the transfer must be made including, without limitation, the requirements of Association regarding occupancy of the Home and by whom the votes in Association affairs may be cast.

23.4 Exceptions. A transfer to or a transfer by a Lender that acquires its title as a result of a deed from its mortgagor in lieu of foreclosure or through foreclosure proceedings shall be exempt from the provisions of this Section and such transaction shall not require approval of the Association. The purchaser from a Lender shall not be subject to approval by the Association as provided in this Section. The foregoing provisions of this Section shall not require the approval of a purchaser who acquires the title to a Home at a duly advertised public sale with open bidding which is provided by law including, but not limited to, an execution sale, foreclosure sale, judicial sale or tax sale. The provisions of this Section shall not apply to Developer.

23.5 Unauthorized Transactions. Any sale, transfer, lease or other transaction which is not authorized pursuant to the terms of this Declaration shall be void unless subsequently approved by Association.

23.6 Notice of Lien or Suit.

23.6.1 Notice of Lien. An Owner shall give notice to Association of every lien upon his or her Home other than for permitted mortgages, taxes and special assessments within five (5) days after the attaching of such lien.

23.6.2 Notice of Suit. An Owner shall give notice to Association of every suit or other proceeding which may affect the title to his or her Home; such notice is to be given within five (5) days after the Owner receives knowledge thereof.

23.6.3 Failure to Comply. Failure to comply with this Section will not affect the validity of any judicial sale.

24. Refund of Taxes and Other Charges. Unless otherwise provided herein, Association agrees that any taxes, fees or other charges paid by Developer to any governmental authority, utility company or any other entity which at a later date are refunded in whole or in part, shall be returned to Developer in the event such refund is received by Association.

25. Assignment of Powers. All or any part of the rights, exemptions and powers and reservations of Developer herein contained may be conveyed or assigned in whole or part to other persons or entities by an instrument in writing duly executed, acknowledged, and, at Developer's option, recorded in the Public Records.

26. General Provisions.

26.1 Authority of Board. Except when a vote of the membership of Association is specifically required, all decisions, duties, and obligations of Association hereunder may be made by the Board. Association and Owners shall be bound thereby.

26.2 Severability. Invalidation of any of the provisions of this Declaration by judgment or court order shall in no way affect any other provision, and the remainder of this Declaration shall remain in full force and effect.

26.3 Execution of Documents. Developer's plan of development for the Centra Falls, including, without limitation, the creation of one (1) or more special taxing districts, may necessitate from time to time the execution of certain documents as required by governmental agencies. To the extent that such documents require the joinder of Owners other than Developer, Developer, by its duly authorized officers, may, as the agent or the attorney-in-fact for the Owners, execute, acknowledge and deliver such documents (including, without limitation, any consents or other documents required by any governmental agencies in connection with the creation of any special taxing district); and the Owners, by virtue of their acceptance of deeds, irrevocably nominate, constitute and appoint Developer, through its duly authorized officers, as their proper and legal attorneys-in-fact, for such purpose. Such appointment is coupled with an interest and is therefore irrevocable. Any such documents executed pursuant to this Section may recite that it is made pursuant to this Section. Notwithstanding the foregoing, each Owner agrees, by its acceptance of a deed to a Home or any other portion of Centra Falls, to execute or otherwise join in any petition and/or other documents required in connection with the creation of any special taxing district relating to Centra Falls or any portion(s) thereof.

26.4 Affirmative Obligation of Association. In the event that Association believes that Developer has failed in any respect to meet Developer's obligations under this Declaration or has failed to comply with any of Developer's obligations under law or the Common Areas are defective in any respect, Association shall give written notice to Developer detailing the alleged failure or defect. Association agrees that once Association has given written notice to Developer pursuant to this Section, Association shall be obligated to permit Developer and its agents to perform inspections of the Common Areas and to perform all tests and make all repairs/replacements deemed necessary by Developer to respond to such notice at all reasonable times. Association agrees that any inspection, test and/or repair/replacement scheduled on a business day between 9 a.m. and 5 p.m. shall be deemed scheduled at a reasonable time. The rights reserved in this Section include the right of Developer to repair or address, in Developer's sole option and expense, any aspect of the Common Areas deemed defective by Developer during its inspections of the Common Areas. Association's failure to give the notice and/or otherwise comply with the provisions of this Section will damage Developer. At this time, it is impossible to determine the actual damages Developer might suffer. Accordingly, if Association fails to comply with its obligations under this Section in any respect, Association shall pay to Developer liquidated damages in the amount of \$250,000.00 which Association and Developer agree is a fair and reasonable remedy.

26.5 Notices. Any notice required to be sent to any person, firm, or entity under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address at the time of such mailing.

26.6 Florida Statutes. Whenever this Declaration refers to the Florida Statutes, it shall be deemed to refer to the Florida Statutes as they exist on the date this Declaration is recorded except to the extent provided otherwise as to any particular provision of the Florida Statutes.

26.7 No Obligation to Enforce. None of the provisions of this Declaration shall obligate or be construed to obligate Developer, or its agents, representatives, or employees to undertake any affirmative action to enforce the provisions of this Declaration or any provision hereof or thereof, or to undertake any remedial or corrective action with respect to any actual or asserted violation hereof or thereof.

26.8 Construction Activities. ALL OWNERS, OCCUPANTS AND USERS OF CENTRA FALLS ARE HEREBY PLACED ON NOTICE THAT (1) DEVELOPER AND/OR ITS AGENTS, AFFILIATES, CONTRACTORS, SUBCONTRACTORS, LICENSEES AND OTHER DESIGNEES AND/OR (2) ANY OTHER PARTIES MAY BE, FROM TIME TO TIME, CONDUCTING CONSTRUCTION ACTIVITIES, EXCAVATION,

AND OTHER ACTIVITIES WITHIN OR IN PROXIMITY TO CENTRA FALLS. BY THE ACCEPTANCE OF THEIR DEED OR OTHER CONVEYANCE OR MORTGAGE, LEASEHOLD, LICENSE OR OTHER INTEREST, AND BY USING ANY PORTION OF CENTRA FALLS, EACH SUCH OWNER, OCCUPANT AND USER AUTOMATICALLY ACKNOWLEDGES, STIPULATES AND AGREES (i) THAT NONE OF THE AFORESAID ACTIVITIES SHALL BE DEEMED NUISANCES OR NOXIOUS OR OFFENSIVE ACTIVITIES, HEREUNDER OR AT LAW GENERALLY, (ii) NOT TO ENTER UPON, OR ALLOW THEIR CHILDREN OR OTHER PERSONS UNDER THEIR CONTROL OR DIRECTION TO ENTER UPON (REGARDLESS OF WHETHER SUCH ENTRY IS A TRESPASS OR OTHERWISE) ANY PROPERTY WITHIN OR IN PROXIMITY TO CENTRA FALLS WHERE SUCH ACTIVITY IS BEING CONDUCTED (EVEN IF NOT BEING ACTIVELY CONDUCTED AT THE TIME OF ENTRY, SUCH AS AT NIGHT OR OTHERWISE DURING NON-WORKING HOURS), (III) DEVELOPER AND THE OTHER AFORESAID RELATED PARTIES SHALL NOT BE LIABLE FOR ANY AND ALL LOSSES, DAMAGES (COMPENSATORY, CONSEQUENTIAL, PUNITIVE OR OTHERWISE), INJURIES OR DEATHS ARISING FROM OR RELATING TO THE AFORESAID ACTIVITIES, EXCEPT RESULTING DIRECTLY FROM DEVELOPER'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, AND (IV) ANY PURCHASE OR USE OF ANY PORTION OF CENTRA FALLS HAS BEEN AND WILL BE MADE WITH FULL KNOWLEDGE OF THE FOREGOING.

26.9 Utilities. Certain utility facilities including, but not limited to, FPL electrical lines, have been or will be buried underground within Centra Falls and may be located under roads, walkways, and other improvements. In the event that buried FPL utility facilities need to be excavated in order to test, replace, maintain and/or repair them, Association, and not FPL or other utility company, may be responsible for restoring the surface of the land and the improvements affected, if any. FPL and other utility service providers and their contractors may not be responsible to restore any road, sidewalk, or any subsurface area in any case where FPL, other utility service provider, or its/their contractors must excavate to make a necessary repair to its underground facilities within Centra Falls. Association shall be responsible for performing any such restoration not performed by FPL or its contractors, the cost of which shall be paid for as a Special Assessment, shared equally among the Owners.

26.10 Title Documents. Each Owner by acceptance of a deed to a Home acknowledges that such Home is subject to certain land use and title documents and all amendments thereto, which include, among other items, any documents recorded in the Public Records, unrecorded land use documents, and the documents identified in this Declaration and any other documents affecting title to Centra Falls (collectively, the "**Title Documents**").

Developer's plan of development for Centra Falls may necessitate from time to time the further amendment, modification and/or termination of the Title Documents. DEVELOPER RESERVES THE UNCONDITIONAL RIGHT TO SEEK AMENDMENTS AND MODIFICATIONS OF THE TITLE DOCUMENTS. It is possible that a governmental subdivision or agency may require the execution of one or more documents in connection with an amendment, modification, and/or termination of the Title Documents. To the extent that such documents require the joinder of Owners other than Developer, Developer, by any one of its duly authorized officers, may, as the agent and/or the attorney-in-fact for the Owners, execute, acknowledge and deliver any documents required by applicable governmental subdivision or agency; and the Owners, by virtue of their acceptance of deeds, irrevocably nominate, constitute and appoint Developer, through any one of its duly authorized officers, as their proper and legal attorney-in-fact for such purpose. This appointment is coupled with an interest and is therefore irrevocable. Any such documents executed pursuant to this Section may recite that it is made pursuant to this Section. Notwithstanding the foregoing, each Owner agrees, by its acceptance of a deed to a Home: (i) to execute or otherwise join in any documents required in connection with the amendment, modification, or termination of the Title Documents; and (ii) that such Owner has waived its right to object to or comment the form or substance of any amendment, modification, or termination of the Title Documents. Without limiting the foregoing, upon the Community Completion Date Association shall assume all of the obligations of Developer under the Title Documents unless otherwise provided by Developer by amendment to this Declaration recorded by Developer in the Public Records, from time to time, and in the sole and absolute discretion of Developer.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK. ADDITIONAL TEXT AND SIGNATURES APPEAR ON FOLLOWING PAGE.]

27. Disclaimer of Warranties. To the maximum extent lawful, Developer hereby disclaims any and all and each and every express or implied warranties, whether established by statutory, common, case law or otherwise, as to the design, construction, sound and/or odor transmission, existence and/or development of molds, mildew, toxins or fungi, furnishing and equipping of the Common Areas, including, without limitation, any implied warranties of habitability, fitness for a particular purpose or merchantability, compliance with plans and all other express and implied warranties of any kind or character. As to any implied warranty which cannot be disclaimed entirely, all secondary, incidental and consequential damages are specifically excluded and disclaimed (claims for such secondary, incidental and consequential damages being clearly unavailable in the case of implied warranties which are disclaimed entirely above).

Developer hereby activates the guarantee in Section 18.9.2 of this Declaration. ☐

IN WITNESS WHEREOF, the undersigned, being Developer hereunder, has hereunto set its hand and seal this 20 day of June, 2016.

WITNESSES:

CENTRA FALLS, LLC, a Florida limited liability company

[Signature]  
Print Name: Danielle Jezek  
[Signature]  
Print Name: CESARE ANTONINI

By: [Signature]  
Name: HARRY L. POSIN  
Title: President {SEAL}

STATE OF FLORIDA )  
COUNTY OF Broward ) SS.:

The foregoing instrument was acknowledged before me this 20<sup>th</sup> day of June, 2016 by Harry L. Posin as President of CENTRA FALLS, LLC, a Florida limited liability company, who is personally known to me or who produced NA as identification, on behalf of the company.

My commission expires:

11/20/2018

[Signature]  
NOTARY PUBLIC, State of Florida at Large  
Print Name Alina M. Cauce



ALINA M. CAUCE  
NOTARY PUBLIC  
STATE OF FLORIDA  
Comm# FF178451  
Expires 11/20/2018



JOINDER

CENTRA FALLS HOMEOWNERS ASSOCIATION, INC.

CENTRA FALLS HOMEOWNERS ASSOCIATION, INC. ("Association") does hereby join in the Declaration for Centra Falls ("Declaration") to which this Joinder is attached, and the terms thereof are and shall be binding upon the undersigned and its successors in title. Association acknowledges that this Joinder is for convenience purposes only and does not apply to the effectiveness of the Declaration, as Association has no right to approve the Declaration.

IN WITNESS WHEREOF, the undersigned has executed this Joinder on this 20 day of June, 2016.

WITNESSES:

Danielle Jezek  
Print Name: Danielle Jezek  
Cesar Antonini  
Print Name: CESAR ANTONINI

CENTRA FALLS HOMEOWNERS ASSOCIATION,  
INC.,  
a Florida not-for-profit corporation

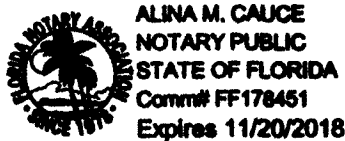
By: G. Clement  
Name: G. Clement  
Title: Pres.  
Date: 6.20.2016

[SEAL]

STATE OF FLORIDA )  
COUNTY OF Broward ) SS.:

The foregoing instrument was acknowledged before me this 20<sup>th</sup> day of June, 2016 by Gary Clement as President of CENTRA FALLS HOMEOWNERS ASSOCIATION, INC., a Florida not-for-profit corporation, who is personally known to me or who produced as identification, on behalf of the corporation.

My commission expires:



Alina M. Caule  
NOTARY PUBLIC, State of Florida at Large  
Print Name Alina M. Caule

**JOINDER AND CONSENT TO  
DECLARATION FOR CENTRA FALLS**

TD Bank, N.A. ("TD"), the owner and holder of a certain Construction Loan Mortgage and Security Agreement recorded as Instrument Number 113147695, together with Financing Statement Form UCC-1 recorded August 3, 2015 as Instrument Number 113147697, and Assignment of Developer's Rights recorded August 3, 2015 as Instrument Number 113147696, all of the Public Records of Broward County, Florida, each as amended from time to time (collectively, the "Mortgage"), which encumbers the Property described in Exhibit 1 to the Declaration for Centra Falls ("Declaration"), does hereby join in and consent to the Declaration to which this Joinder and Consent is attached, and acknowledges that the terms thereof are and shall be binding upon the undersigned and its successors and assigns, subject to the paragraph below.

Notwithstanding the execution of this Joinder and Consent, nothing herein shall be construed to render TD responsible or liable for the performance of any of the covenants or undertakings of the Developer under the Declaration. Furthermore, the lien of the Mortgage (as may be amended, restated, increased, assigned, partially released, or otherwise modified in any manner whatsoever) shall remain superior to any liens or assessments (if any) created by or arising under the Declaration and this Joinder and Consent (a) shall in no way diminish, impair or affect the security interest in favor of TD created by the Mortgage, (b) shall not affect, amend, limit or impair any of the terms or provisions of the Mortgage or any of TD's rights under the Mortgage, and (c) shall not be deemed a consent to or a waiver of any other conditions or requirements in the Mortgage. The terms and provisions of the Mortgage (including the priority and validity of the lien of the Mortgage) shall remain in full force and effect

NOW, THEREFORE, the undersigned consents to the recordation of the Declaration.

IN WITNESS WHEREOF, the undersigned has executed this Joinder and Consent on this 7 day of June, 2016.

J. Molina  
Print Name: Jose Molina  
Odalis Miranda  
Print Name: Odalis Miranda

TD Bank, N.A., a national banking association

By: [Signature]  
Name: G. Alex Haw  
Title: Vice President

[SEAL]

STATE OF FLORIDA )  
 )SS.:  
COUNTY OF Dade )

The foregoing instrument was acknowledged before me this 7th day of June, 2016 by G. Alex Haw, as Vice President of T.D. Bank, N.A., who is personally known to me or who produced \_\_\_\_\_ as identification, on behalf of the association.

My commission expires:



Odalis Miranda  
Notary Public, State of Florida  
Print Name: Odalis Miranda